

भारत का राजपत्र

The Gazette of India

प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं० 8]

नई दिल्ली, शनिवार, फरवरी 24, 1973 (फाल्गुन 5, 1894)

No. 8]

NEW DELHI, SATURDAY, FEBRUARY 24, 1973 (PHALGUNA 5, 1894)

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके
(Separate paging is given to this Part in order that it may be filed as a separate compilation)

भाग III—खण्ड 4

PART III—SECTION 4

विविध निकायों द्वारा जारी की गई विविध अधिसूचनाएं जिसमें अधिसूचनाएं, आदेश, विज्ञापन और सूचनाएं सम्मिलित हैं
Miscellaneous Notifications including Notifications, Orders, Advertisements and Notices
issued by Statutory Bodies

भारतीय चार्टर प्राप्त लेखाकार संस्थान

नई दिल्ली-1, दिनांक 2 फरवरी 1973

सं० 4 सी०ए०(1)/23/72-73—चार्टर प्राप्त लेखाकार विनियम 1964 के विनियम 16 के अनुसरण में एतद् द्वारा यह सूचित किया जाता है कि चार्टर प्राप्त लेखाकार अधिनियम 1949 की धारा 20 उपधारा 1 खंड (ग) द्वारा प्रदत्त अधिकारों का प्रयोग करते हुये भारतीय चार्टर प्राप्त लेखाकार संस्थान परिषद् ने अपने सदस्य रजिस्टर में से निर्धारित शुल्क जमा न करने के कारण निम्न-लिखित सदस्यों का नाम 1 जुलाई, 1972 से हटा दिया है :—

क्रम सं०	सं०	नाम एवं तार	तिथि
1	2	3	4
1.	2849	श्री पी० ई० मैथ्यू, 15, मौन्तियहा रोड, इगमोर, मद्रास-8।	
2.	3035	श्री एस० आर० गुरुस्वामी, 59, वल्लभवाडी, गुमानपुरा, कोटा (राजस्थान)।	
3.	5995	श्री संजिव चन्द्र भट्टाचारजी, 443, जैसोर रोड, दम दम, कलकत्ता-28।	

1	2	3	4
4.	6090	श्री ए० के० बासक, इन्डस्ट्रियल प्रोजेक्ट्स डिपार्टमेंट, इन्टरनेशन बैंक फार रिकन्स्ट्रक्शन एन्ड डेवलपमेंट, 1818-एच० स्ट्रीट, एन० डब्ल्यू० वाशिंगटन-डी०सी० 20433।	
5.	7192	श्री पी० एम० भसीन, सासेर, 7, 47, जुहू क्रॉस लेन, अन्धेरी (प०) बम्बई-58 ए एस	
6.	9068	श्री आर० के० धरनीधरका, सचिव कम फाइनेंशियल कंट्रोलर मै० नोर्टेक्स (नाइजीरिया) लि०, काडूना साउथ इन्डस्ट्रियल एस्टेट, काडूना साउथ, पो० बा० 276, काडूना (नार्थ नाइजीरिया)।	
7.	9475	श्री जे० शंकर राव गुप्ता, द्वारा आंध्र बैंक लि०, ब्रांच इन्स्पेक्शन डिपार्टमेंट, सुल्तान बाजार हैदराबाद-1	
8.	9620	श्री रवि घावन, 9/79, आर्य नगर, कानपुर।	

1	2	3	4
9.	9708	श्री सी० शिवाशंकरम्, द्वारा रामा सूर्यानारायणन शास्त्री, प्रो० श्री नटराज स्टोर्स, तनूकू (वे० गो० जिला) ए० पी०	
10.	9812	श्री एलेन मेथ्यू फरनानडेन्स, 12, इलियट रोड, सूट नं० 8, कलकत्ता-16।	
11.	10281	श्री वी० के० बन्सल, 78/13 ए, ब्लॉक ई, न्यू अलीपुर, कलकत्ता-53।	
12.	10382	श्री जे० सी० पटेल, सी-5, आमूल पार्क, आनन्द (जिला कैड़ा)।	
13.	11168	श्री एस० कृष्णामूर्ति, ए० एडमि० आफिसर (एकाउन्ट्स) एल० आई० सी० आफ इन्डिया, 30, हजरतगंज, लखनऊ।	
14.	11387	श्री डी० पी० रावल, 2253, सीताराम बाजार, काली मस्जिद, दिल्ली-6।	
15.	11409	श्री के० एल० बाम्बा, 12 ए/20, डब्ल्यू० ई० ए०, करोल बाग, नई दिल्ली-5।	
16.	11902	श्री फैंसनमल बघना, वाई० एम० सी० ए०, 412, सेमिंगटन रोड, बम्बई-4।	
17.	12455	श्री आरूप पेरुमल, द्वारा पी० वेस्टर्न इन्डिया मैच कं० लि०, इन्डियन मर्कनटाइल चैम्बर्स निकल रोड, बालार्ड एस्टेट, बम्बई।	
18.	12897	श्री आर० सी० कुन्डू, 191-बी, राजा विनेन्द्रा स्ट्रीट, कलकत्ता-4।	

नई दिल्ली-1, दिनांक 31 जनवरी 1973

सं० 5 सी० ए० (1)/23/92-93—इस संस्थान की अधिसूचना सं० 2 सी० ए० (1)/19/72-73 दिनांक 17 जनवरी, 1973 के संदर्भ में चार्टर प्राप्त लेखाकार विनियम 1964 के विनियम 18 के अनुसरण में एतद्द्वारा यह सूचित किया जाता है कि उक्त विनियमों के विनियम 17 द्वारा प्रदत्त अधिकारों का प्रयोग करते हुये भारतीय चार्टर प्राप्त लेखाकार संस्थान परिषद् ने अपने सदस्यता रजिस्टर में श्री कुलदीप सिंह, ए० सी० ए० विक्रम भवन, रेलवे मार्ग, सहारनपुर का नाम दिनांक 22 जनवरी, 1973 से पुनः स्थापित कर दिया है। (सं० सं० 11358)।

दिनांक 3 फरवरी 1973

सं० 5 सी० ए० (1)/24/1972-73—इस संस्थान की अधिसूचना सं० 1 सी० ए० (1)/17/71-72 दिनांक 18-12-71 एवं 4 सी० ए० (1)/19/72-73 दिनांक

17-1-1973 के संदर्भ में चार्टर प्राप्त लेखाकार विनियम 1964 के विनियम 18 के अनुसरण में एतद्द्वारा यह सूचित किया जाता है कि उक्त विनियमों के विनियम 17 द्वारा प्रदत्त अधिकारों का प्रयोग करते हुये भारतीय चार्टर प्राप्त लेखाकार संस्थान परिषद् ने अपने सदस्यता रजिस्टर में निम्नलिखित सदस्यों का नाम दिनांक 30-1-1973 से पुनः स्थापित कर दिया है।

क्र० सं०	सं० सं०	नाम व पता	तिथि
1.	6154	श्री राजेन्द्र कुमार गोयल, ए० सी० ए० ए-6, मोडल टाउन, दिल्ली-9।	30-1-73
2.	12294	श्री सुशील कुमार जैन, ए० सी० ए० मोती टाकीज, मलोर कोटला (पंजाब)।	30-1-73

दिनांक 7 फरवरी 1973

सं० 5 सी० ए० (1)/25/72-73—इस संस्थान की अधिसूचना सं० सी० ए० (1)/22/71-72 दिनांक 7 फरवरी, 1972 के संदर्भ में चार्टर प्राप्त लेखाकार विनियम 1964 के विनियम 18 के अनुसरण में एतद्द्वारा यह सूचित किया जाता है कि उक्त विनियमों के विनियम 17 द्वारा प्रदत्त अधिकारों का प्रयोग करते हुये भारतीय चार्टर प्राप्त लेखाकार संस्थान परिषद् ने अपने सदस्यता रजिस्टरों में श्री सुभाष चन्द्र मित्तल, ए० सी० ए०, 290 स्ट्रेन्स मार्ग, होंसला-मिडिल सेक्स (इंग्लैंड) का नाम 6 फरवरी, 1973 से पुनः स्थापित कर दिया है। (सं० सं० 6750)।

सी० बालकृष्णनन, सचिव

भाषा परमाणु अनुसंधान केन्द्र (कार्मिक प्रभाग)

बम्बई-400085, दिनांक 6 फरवरी, 1973

सं० 7(27)/72/प्र० XII/71—श्री के० बी० टंडेल को रजिस्ट्री भेजी हुई निम्नलिखित अतिविरत नोटिस डाकखाने के अधिकारियों द्वारा 'इनकार किया' टिप्पणी के साथ लौटा दी गई। वही, इसलिए, नीचे केन्द्रीय सिविल सेवाएं (स्थायी सेवाएं) नियमावली, 1965 नोट के अनुसार भारत के राजपत्र में प्रकाशित की जाती है।

नोटिस

दिनांक 29 दिसम्बर 1972

संदर्भ 7(27)/72/प्र० XII/1136—केन्द्रीय सिविल सेवाएं (अस्थायी सेवाएं) नियमावली, 1965 के नियम 5 के उपनियम (1) का अनुसरण करते हुये, मैं श्री के० बी० टंडेल, ट्रेड्समैन 'बी', तकनीकी सेवाएं प्रभाग, को इसके द्वारा नोटिस देता हूँ कि उन्हें इस नोटिस को देने अथवा, जैसी स्थिति हो, निविदा-सूचना के एक महीने के काल के समाप्त होने के बाद के दिनांक से उनकी सेवाएं समाप्त हो जाएंगी।

टी० वी० रंगराजन, प्रधान.
कार्मिक प्रभाग

संचार मंत्रालय

(शाक-तार बोर्ड)

नई दिल्ली-1, दिनांक

क्रम संख्या 25/125/72-एल०आई०—श्री नारायण चन्द्र
चौधरी की क्रमांक 13356-आर० दिनांक 6-3-68 की
3000/- रुपये की डाक जीवन बीमा पालिसी विभाग के संरक्षण

से गुम हो गई है। यह सूचित किया जाता है कि उक्त पालिसी का
भुगतान रोक दिया गया है। उपनिदेशक, डाक जीवन-बीमा, कलकत्ता
को बीमेदार के नाम पालिसी की दूसरी प्रति जारी करने के अधिकार
दे दिए गए हैं। जनता को चेतावनी दी जाती है कि मूल पालिसी
के संबंध में कोई लेन-देन न करें।

र० ना० डे
निदेशक (डाक जीवन बीमा)

THE INSTITUTE OF CHARTERED ACCOUNTANTS
OF INDIA

New Delhi, Dated 2nd February, 1973

No. 4-CA(1)/23/72-73.—In pursuance of Regulation 16 of the Chartered Accountants Regulations, 1964, it is hereby notified that in exercise of the powers conferred by clause (c) of Sub-Section (1) of Section 20 of the Chartered Accountants Act, 1949, the Council of the Institute of Chartered Accountants of India, has removed from the Register of Members of this Institute with effect from 1st July, 1972, on account of non-payment of the prescribed fees, the names of the following gentlemen:-

Sl. No.	Membership No.	Name and Address
1.	2849	Shri P. E. Mathew, 15, Monticth Road, Egmore, Madras-8.
2.	3035	Shri S. R. Guruswamy, 59, Vallabhswadi, Gumanpura, Kota (Rajasthan).
3.	5995	Shri Sanjib Chandra Bhattacharjee, 443, Jessore Road, Dum Dum Calcutta-28.
4.	6090	Shri A. K. Basak, Industrial Projects Department, International Bank for Recon- struction & Development, 1818, H. Street, N.W., Washington. DC 20433
5.	7192	Shri P. M. Amin, Swashray 7, 47, Juhu Cross Lane, Andheri (West). Bombay-58 A.S.
6.	9068	Shri R. K. Dharnidharka, Secretary Cum Financial Controller, M/s. Nortex (Nigeria) Ltd., Kaduna South Industrial Estate, Kaduna South, P. O. Box 276, Kaduna (Northern Nigeria).
7.	9475	Shri J. Sankara Rao Gupta, C/o. Undhra Bank Ltd., Branch Inspection Dept., Sultan Bazar, Hyderabad-1.
8.	9620	Shri Ravi Dhawan, 9/79, Arya Nagar, Kanpur.
9.	9708	Shri C. Sivasankaram, C/o. Rama Suryanarayana Sastry Prop. Sri Nataraja Stores, Tanuku W. G. Distt. (A.P.)
10.	9812	Shri Allen Mathew Fernandes, 12, Elliot Road, Suite No. 8, Calcutta-16.
11.	10281	Shri V. K. Bansal, 78/13A, Block 'E', New Alipore, Calcutta-53.

Sl. No.	Membership No.	Name and Address
12.	10382	Shri J. C. Patel, C-5, Amul Park, Anand (W. Rly.) Distt. Kaira.
13.	11168	Shri S. Krishnamurthy, Asstt. Administrative Officer (A/cs.), L.I.C. of India, 30, Hazrat Ganj, Lucknow.
14.	11387	Shri D. P. Rawal, 2253, Sita Ram Bazar, Kali Masjid Delhi-6.
15.	11409	Shri K. L. Bamba, 12A/20, W.E.A. Karol Bagh, New Delhi-5.
16.	11902	Shri Faishonmal Bafna, Y.M.C.A., 412, Lamington Road, Bombay-4.
17.	12455	Shri Ipe Perumal, C/o. The Western India Match and Co. Ltd., Indian Mercantile Chambers, Nical Road, Ballard Estate, Bombay.
18.	12897	Shri R. C. Kundu, 191-B, Raja Dinendra Street, Calcutta-4.

Dated the 31st January, 1973.

No. 5-CA(1)/23/72-73.—With reference to this Institute's Notification No. 4-CA(1)/19/72-73, dated 17-1-1973, it is hereby notified in pursuance of Regulations, 18 of the Chartered Accountants Regulations, 1964, that in exercise of the powers conferred by Regulation 17 of the said Regulations, the Council of the Institute of Chartered Accountants of India has restored to the Register of Members with effect from 22nd January, 1973, the name of Shri Kuldip Singh, A.C.A., Vikram Bhawan, Railway Rd., Saharanpur (M. No. 11358).

The 3rd February, 1973

No. 5-CA(1)/24/1972-73.—With reference to this Institute's Notification Nos. 4-CA(1)/17/71-72 dated 18th December, 1971 and 4-CA(1)/19/72-73 dated 17th January, 1973, it is, hereby notified in pursuance of Regulation 18 of the Chartered Accountants Regulations, 1964, that in exercise of the powers conferred by Regulation 17 of the said Regulations the Council of the Institute of Char-

tered Accountants of India has restored to the Register of Members, with effect from the dates mentioned against their names of the following gentlemen :

Sl. No.	Membership No.	Name and Address	Date of Restoration
1.	6154	Shri Rajendra Kumar Goel, A.C.A., A-6, Model Town, Delhi -9.	30-1-1973
2.	12294	Shri Sushil Kumar Jain, A.C.A., M/s. Moti Talkies, Malerkotla (Punjab).	30-1-1973

The 7th February 1973

No. 5-CA(1)/25/72-73.—With reference to this Institute's Notification 4-CA(1)/22/71-72, dated 7th February, 1972, it is hereby notified in pursuance of Regulation 18 of the Chartered Accountants Regulations, 1964, that in exercise of the powers conferred by Regulation 17 of the said Regulations, the Council of the Institute of Chartered Accountants of India has restored to the Register of Members, with effect from 6th February, 1973 the name of Shri Subhash Chander Mittal, A.C.A., 290 Staines Road, Hounslow-Middlesex (England) (M. No. 6750).

C. BALAKRISHNAN
Secretary

BHABHA ATOMIC RESEARCH CENTRE
(Personnel Division)

Bombay-85, the 6th February 1973

No. Ref. 7(27)/72/Estt.XII/1136.—In pursuance of sub-rule (1) of Rule 5 of the Central Civil Services (Temporary Service) Rules, 1965, I hereby give notice to Shri K. B. Tandel, Tradesman 'B', Technical Services Division, that his services shall stand terminated with effect from the date of expiry of a period of one month from the date on which this notice is served on or, as the case may be tendered to, him.

T. V. RANGARAJAN
Head, Personnel Division

DEPARTMENT OF POSTS & TELEGRAPHS
Office of the Director General P & T

New Delhi, the 9th February 1973

No. 25/125/72-LI.—Postal Life Insurance EA/60 Policy No. 13356-R, dated 6-3-1968 for Rs. 3000/- held by Shri Narayan Chandra Chowdhury having been lost from the departmental custody, notice is hereby given that the payment thereof has been stopped. The Dy. Director, Postal Life Insurance, Calcutta has been authorised to issue a duplicate policy in favour of the insurant. The Public are hereby cautioned against dealing with the original policy.

R. N. DEY
Director (PLI)

UNIT TRUST OF INDIA

Bombay, the 9th February 1973

No. UT 9460/NP.3-73.—The Board of Trustees of the Unit Trust of India at its meeting held on January 23, 1973 has amended the Children's Gift Plan, 1970 formulated under Section 19(1)(CC) of the Unit Trust of India Act, 1963 as follows :

A new paragraph 17A shall be inserted in the Plan as follows :

"17A. Notwithstanding anything herein contained, an individual desirous of participation in the Plan

may, at the time of making application, indicate in the application that, in the event of the child specified in the application dying before attaining the age of 21 years, another child mentioned in this behalf in the application, and being not more than 15 years of age at the time of making the application, shall be entitled to all the rights of the first mentioned child. On the death of the first mentioned child before attaining the age of 21 years, the provisions of the Plan shall apply as if the surviving second mentioned child had been the only child mentioned in the application."

U. M. BANERJEE
Secretary

EMPLOYEES' STATE INSURANCE CORPORATION

Regional Office Maharashtra

Bombay-5, the 22nd December 1972

No. B/Est-II-18(35).—In partial modification of this office Notification of even number dated the 1st September, 1971, the following amendment is made in the list of members of the Local Committee Kolhapur formed under Regulation 10-A-(1) of the Employees' State Insurance (General) Regulations, 1950.

Under Regulation 10-A-1-(e) :

Item No. 6 :

Read :

Shri P. D. Dighe,
(Representative of Mechanical &
Engineering Kamgar Union),
1881, "D" Shaniwar Peth,
Kolhapur.

For :

Shri Narayan Ganesh Puncar,
(Representative of Mechanical &
Engineering Kamgar Union),
1881, "D" Shaniwar Peth,
Kolhapur.

BY ORDER

I. C. SARIN
Regional Director

Regional Office Tamil Nadu

Madras-600034, the 23rd January 1973

No. TNR/CO-3(18)/70.—It is hereby notified that Shri S. Srinivasan, Assistant Manager, M/s. The Anamalais Retrading Company Limited, Tirunelveli-2 is nominated as a member of the Local Committee Tirunelveli under Regulation 10 A (1) (d) of E.S.I. (General) Regulations, 1950 in the place of Shri A. Athimoolam.

The following amendment shall accordingly be made to this office notification of even No. dated 27-11-1971 namely for the existing name against Sl. No. 4, the following shall be substituted :—

Sl. No. 4 "Shri S. Srinivasan,
Assistant Manager,
M/s. The Anamalais Retrading Company Ltd.,
Tirunelveli-2."

BY ORDER

† Madras-600034, the 1st February 1973

No. TNR/CO-3(8)/72.—It is hereby notified that the Local Committee for Tuticorin area re-constituted *vide* this office notification No. MR/CO-3(13)/69, dated 3-2-1970 under Regulation 10 A of the E.S.I. (General) Regulations, 1950, has been re-constituted with the following members with effect from 1st February, 1973.

Chairman

Under Regulation 10A(1)(a) :

1. The District Medical Officer,
Tirunelveli.

Members

Under Regulation 10A(1)(b) :

2. The Labour Officer,
Tirunelveli.

Under Regulation 10A(1)(c) :

3. The Medical Officer-in-charge,
E.S.I. Dispensary,
Tuticorin.

Under Regulation 10A(1)(d) (Employers' side)

4. Shri S. D. Paulraj,
V.V.D. & Sons, 90, South Raja Street,
Tuticorin.
5. Shri S. Kanagasabapathy,
Tuticorin Spinning Mills Limited,
Tuticorin.
6. Shri K. Muthirulandi,
Labour Officer
Madura Mills
Tuticorin-1.
7. Shri C. S. Rajendran,
Secretary
The Indian Chamber of Commerce & Industry,
Tuticorin.

Under Regulation 10A(1)(e) (Employees' side) :

8. Shri M. Venkatakrishnan,
Secretary,
Tuticorin Mill Labourers' Union,
9, Uchinimagaliamman Kovil Street,
Tuticorin.

9. Shri P. Shanmugham,
General Secretary,
Panchalai Thozhilalar Munnetra Sangam,
130, Kaliappa Pillai Street,
Tuticorin.

10. Shri S. Palpandy,
Joint Secretary
National Mill Workers' Union,
Tuticorin.

Member-Secretary.

Under Regulation 10A(1)(f) :

11. The Local Office Manager,
Employees' State Insurance Corporation,
Tuticorin.

In addition, Shri A. Shanmugham, General Secretary, Nellai Mavatta Kootturavu Oozhiar Sangam, Tuticorin, who was nominated as a member of the Committee under notification No. TNR/CO-3(8)/70, dated 10-12-1971 will continue as member till the expiry of his term of office, on 10-12-1973.

BY ORDER

V. SIVARAMAN
Regional Director & Ex-Officio
Member-Secretary, Regional Board,
E.S.I.C., Tamil Nadu

PANJAB UNIVERSITY (CHANDIGARH)

The Central Government (Ministry of Education & Social Welfare) have accorded approval, *vide* their letter No. F. 3-24/72-U.I., dated 25-1-1973, to the provisions under Applicability of Regulations from time to time, contained in the Panjab University Calendar, Volume II.

Applicability of Regulations for the time being in force

Notwithstanding the integrated nature of a course spread over more than one academic year, the regulations in force at the time a student joins a course shall hold good only for the examination held during or at the end of the academic year. Nothing in these regulation shall be deemed to debar the University from amending the regulations *subsequently and the* amended regulations, if any, shall apply to all students whether old or new.

CHANDIGARH :

Dated : February 8, 1973.

K. C. WALIA
Officer on Special Duty (R)

INDUSTRIAL FINANCE CORPORATION OF INDIA
24th ANNUAL REPORT

30th JUNE 1972

INDUSTRIAL FINANCE CORPORATION OF INDIA
Report of the Board of Directors for the year ended June 30, 1972 under Section 35 of the Industrial Finance Corporation Act, 1948 (15 of 1948)

TWENTY-FOURTH ANNUAL REPORT 1971-72
INDUSTRIAL FINANCE CORPORATION OF INDIA
NEW DELHI

NOTICE

Notice is hereby given that the **TWENTY-FOURTH ANNUAL GENERAL MEETING** of the shareholders of the **INDUSTRIAL FINANCE CORPORATION OF INDIA** will be held on Thursday, the 28th September, 1972, at 4.00 P.M. (Standard Time) at Hotel Imperial, Janpath, New Delhi, to transact the following business :

- (1) To read and consider the Balance Sheet of the Corporation and the Profit and Loss Account for the year ended the 30th June, 1972, together with the Report by the Board on the working of the Corporation for the year and the Auditors' Report on the said Balance Sheet and Accounts.
- (2) To elect under Section 34 of the Industrial Finance Corporation Act, 1948, one Auditor duly qualified to act as Auditor of Companies under Section 226 of the Companies Act, 1956 (1 of 1956) by the parties mentioned in sub-section (3) of Section 4 of the Industrial Finance Corporation Act, namely scheduled banks, insurance companies, investment trusts and other like financial institutions, and co-operative banks, in place of Messrs Haribhakti & Company, Chartered Accountants, Bombay, who retire but are eligible for re-election.

13th July, 1972.

BALDEV PASRICHA
General Manager

INDUSTRIAL FINANCE CORPORATION OF INDIA
BOARD OF DIRECTORS

Chairman

C. D. Khanna

Nominated by the Central Government

B. B. Lal
M. K. Venkatachalam

Nominated by the Industrial Development Bank of India.

G. Ramanujam
F. K. F. Nariman
Dr. Samuel Paul
Dr. V. V. Bhatt

Elected to represent Scheduled Banks.

S. J. Utamsing
C. P. Shah

Elected to represent Insurance concerns, Investment Trusts and other like financial institutions.

Sardar Santokh Singh
B. C. Randeria

Elected to represent Co-operative Banks.

N. A. Kalyani
Dr. W. C. Shrishrimal

CENTRAL COMMITTEE

Chairman

C. D. Khanna

Elected by the nominated Directors.

B. B. Lal
M. K. Venkatachalam

Elected by the elected Directors.

N. A. Kalyani
Sardar Santokh Singh

BANKERS

Reserve Bank of India

AUDITORS

Chartered Accountants

M/s. Walker Chandio & Co.
M/s. Haribhakti & Co.

INDUSTRIAL FINANCE CORPORATION OF INDIA
MEMBERS OF THE ADVISORY COMMITTEES
CHEMICAL PROCESS & ALLIED INDUSTRIES

C. D. Khanna, *Chairman*
N. A. Kalyani
Sardar Santokh Singh
F. K. F. Nariman
Samuel Paul
S. K. Mukherjee
C. J. Dadachanji
Jayant J. Mehta
R. V. Ramani
T. Thomas
M. D. Parekh
A. Seetharamaiah

ENGINEERING

C. D. Khanna, *Chairman*
N. A. Kalyani
S. J. Utamsing
Sardar Santokh Singh
W. C. Shrishrimal
Pranlal Patel
P. R. Deshpande
A. K. Sen
B. D. Kalelkar
V. M. Rao
C. B. Saran
K. B. Rao
Hari Bhushan

TEXTILES

C. D. Khanna, *Chairman*
G. Ramanujam
S. J. Utamsing

Sardar Santokh Singh
C. P. Shah
B. Raha
K. Sundaram
C. S. Ramachary
S. A. Kher
N. S. Sharma
T. N. Sharma
P. N. Kapur
I. B. Dutt
A. Dass
M. M. K. Wali

SUGAR

C. D. Khanna, *Chairman*
N. A. Kalyani
W. C. Shrishrimal
S. N. Gundu Rao
J. K. Bhosale
P. S. Rajagopal Naidu
S. C. Gupta
A. Dass
S. V. Sampath
M. M. K. Wali
S. P. Balasubramanyan
Sohan Lal Saxena

JUTE

C. D. Khanna, *Chairman*
S. J. Utamsing
F. K. F. Nariman
S. Paul
Hari Shankar Singhania
B. D. Kanoria
B. D. Kumar
S. N. Chakravartee
S. N. Agarwal

OUTLINE OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA

INCORPORATION AND PURPOSE

The Industrial Finance Corporation of India (IFCI) was established in 1948 under an Act of the Indian Parliament, with the object of making medium and long-term credits to industrial concerns in India.

CAPITAL

Fifty per cent of the paid-up capital now standing at Rs. 9.17 crores is held by the Industrial Development Bank of India (IDBI), which is a wholly-owned subsidiary of the Reserve Bank of India. The remaining 50% is held by scheduled banks, co-operative banks, insurance concerns and investment trusts, etc.

MANAGEMENT

The Board of Directors consists of a whole-time Chairman appointed by the Central Government after consultation with the IDBI and twelve directors. Two directors are nominated by the Central Government and four by the IDBI. Six directors are elected by shareholders other than the IDBI.

FUNCTIONS AND LENDING POLICIES

Any public limited company or co-operative society incorporated and registered in India which is engaged, or proposes to engage itself in the manufacture preservation or processing of goods, or in the shipping, mining or hotel industry or in the generation or distribution of electricity or any other form of power, is eligible for financial assistance. Public sector projects, which are set up as public limited companies, are also eligible for financial assistance from the Corporation on the same basis as industrial projects in the private sector. Financial assistance, on concessional terms, is available for setting up industrial projects in certain industrially less developed districts in the States/Union Territories notified by the Central Government. Assistance may take the form of long-term loans—both in rupee and foreign currency; underwriting of equity, preference and debenture issues; subscribing to equity, preference and debenture capital; guaranteeing of deferred payments in respect of machinery imported from abroad or purchased in India and guaranteeing of loans raised in foreign currency from foreign financial institutions as also those raised in rupees from scheduled banks or State co-operative banks or floated in the public market. The resources of the IFCI are available for the setting-up of new industrial projects as also for renovation, modernisation, expansion or diversification of existing ones.

SOURCES OF FUNDS

The main sources of funds of the IFCI other than its own capital, retained earnings, repayment of loans and sale of investments, are borrowings from the market by the issue of bonds, loans from the Central Government and foreign credits.

HIGHLIGHTS OF OPERATIONS

SPREAD OF FINANCIAL ASSISTANCE AS ON THE 30TH JUNE 1972

	Rupees in Crores			U.S. \$ Sanctions (net)	equivalent in million*	
	Sanctions (net)	Disburse- ments	Outstand- ings	Sanctions (net)	Disburse- ments	Outstand- ings
Loans :						
—Rupee	264.31	227.65	141.07	352.42	303.53	188.10
—Foreign currency	47.20	38.42	27.42	62.93	51.23	36.56
Underwritings and direct subscriptions	34.68	23.70	18.22	46.24	31.60	24.29
Guarantees:						
—for deferred payments	28.20	27.76	5.88	37.60	37.01	7.84
—for foreign loans	23.47	23.33	11.20	31.29	31.11	14.93
Total 1972	397.86	340.86	203.79	530.48	454.48	271.72
Total 1971	358.70	318.76	198.13	478.27	425.01	264.17

INDUSTRIAL PROJECTS ASSISTED

INDUSTRIAL PROJECTS ASSISTED						
			Co-operative Sector	Corporate Sector	Total	Located in notified less developed districts/areas
Amount Sanctioned (Rs. Crores)			87.45	310.41	397.86	107.11
Number			105	460	565	148
Projects Assisted-Industry-Wise						
Chemicals	44	Paper	29	Textile		107
Fertilizers	10	Motor vehicles	21	Sugar		96
Iron & Steel	11	Metal products	57	Cement		26
Non-ferrous	11	Machinery	23	Hotels		5
Synthetic fibres	14	Electrical machinery	38	Others		73
Total number of projects : 565			Total number of concerns : 521			

FINANCIAL SUMMARY

	Rupees in Crores		U.S. \$ equivalent in million* 1972
	1971	1972	
Capital and Reserves (as on the 30th June)			
Paid-up capital	8.35	9.17	12.23
Reserves	12.24	16.02	31.36
Total :	22.59	25.19	33.59
Earnings for the year			
Gross income	13.46	14.98	19.97
Gross profit before taxation	4.47	4.84	6.45
Provision for depreciation in the value of investments	—	0.48	0.64
Provision for taxation	2.37	2.17	2.89
Net profit	2.10	2.19	2.92

*Rupees amounts converted @ Rs. 7.50/U.S. \$

INDUSTRIAL FINANCE CORPORATION OF INDIA

SUMMARY OF FINANCIAL OPERATIONS

(Rs. Crores)

	Upto the 30th June, 1971			During the year ended the 30th June, 1972			Total as on the 30th June, 1972			Amount outstanding as on the 30th June, 1972
	Sanctions (net)		Amount disbursed	Sanctions (net)		Amount disbursed	Sanctions (net)		Amount disbursed	
	No.	Amount		No.	Amount		No.	Amount		
1. Loans										
—Rupee	683	233.34	209.61	47	30.97	18.04	730	264.31	227.65	141.07
—Foreign currency	155	43.69	35.47	22	3.51	2.95	177	47.20	38.42	27.42
TOTAL :	838	277.03	245.08	69	34.48	20.99	907	311.51	266.07	168.49
2. Underwritings										
—Equity shares	130	11.22	7.79	23	2.34	0.18	153	13.56	7.97	6.38
—Preference shares	103	7.06	5.20	18	1.03	0.38	121	8.09	5.58	3.70
—Debentures	21	9.23	7.58	1	0.75	—	22	9.98	7.58	4.68
TOTAL :	254	27.51	20.57	42	4.12	0.56	296	31.63	21.13	14.76
3. Direct Subscriptions										
—Equity shares	14	0.52	0.26	3	0.46	0.36	17	0.98	0.62	1.43*
—Preference shares	5	0.15	0.05	1	0.10	0.08	6	0.25	0.13	0.66*
—Debentures	1	1.82	1.82	—	—	—	1	1.82	1.82	1.37*
TOTAL :	20	2.49	2.13	4	0.56	0.44	24	3.05	2.57	3.46*
TOTAL OF 1 TO 3	1112	307.03	267.78	115	39.16	21.99	1227	346.19	289.77	186.71
4. Guarantees										
—for deferred payments	41	28.20	27.65	—	—	0.11	41	28.20	27.76	5.88
—for foreign loans	5	23.47	23.33	—	—	—	5	23.47	23.33	11.20
TOTAL :	46	51.67	50.98	—	—	0.11	46	51.67	51.09	17.08
GRAND TOTAL 1 TO 4	1158	358.70	318.76	115@	39.16	22.10	1273	397.86	340.86	203.79

*Includes Rs. 1.28 crores being part of the outstanding loans of 6 companies converted into shares and Rs. 0.06 crore of convertible debentures of another company converted into equity shares.

@These Sanctions were made to 65 concerns, details of which are given in Appendix A.

Note : Figures as on the 30th June, 1971 do not coincide with those given in the Annual Report for that year due to certain cancellations/adjustments made during the current year in respect of financial assistance sanctioned upto the 30th June, 1971.

THE YEAR IN BRIEF

During the year ended the 30th June, 1972, the Corporation sanctioned net financial assistance of Rs. 39.16 crores for 68 industrial projects compared with assistance of Rs. 35.03 crores for 61 projects sanctioned during the previous year.

The aggregate cost of projects for which assistance was sanctioned during the year ended the 30th June 1972 is estimated at about Rs. 404.70 crores. Of the projects assisted, 39 were new projects accounting for about 72.8% (Rs. 28.53 crores) of the total sanctions for the year.

The projects assisted covered a wide range of industries, Industries which claimed substantial assistance were fertilizers, iron and steel, paper, electrical machinery, chemicals, automobile tyres, synthetic fibres, automobile ancillaries, metal products, glass, cotton textiles and sugar.

As in the past, co-operatives in the sugar and textile industries claimed sizable assistance, which was of the order of Rs. 9.99 crores being about 25.5% of the total assistance sanctioned. This assistance was sanctioned to 10 sugar co-operatives and one textile co-operative.

The sanctions were spread over 15 States. Seventeen approved projects would be located in districts notified by the Central Government as industrially less developed. Financial assistance sanctioned to such projects aggregated Rs. 14.10 crores, accounting for about 36% of the total sanctions during the year; the projects included four sugar co-operatives of which three were new projects.

Assistance was sanctioned to a public sector undertaking in Kerala for an expansion project involving manufacture of caustic soda.

The working results for the year disclosed a higher income of Rs. 14.98 crores, compared with Rs. 13.46 crores for the year 1970-71. The gross profit of Rs. 4.84

crores registered an increase of Rs. 0.37 crore over the previous year. After making provision for depreciation in the value of investments to the extent of Rs. 0.48 crore and taxation to the extent of Rs. 2.17 crores, the net profit was Rs. 2.19 crores which was higher by Rs. 0.09 crore compared with the previous year. Additions made to reserve were to the extent of Rs. 1.77 crores, bringing the total reserves of the Corporation to Rs. 16.02 crores, which exceed the paid-up capital by Rs. 6.85 crores.

With a view to augmenting the resources and reducing its dependence on borrowings from the Central Government, the Corporation made, in October 1971, a Bond Issue of Rs. 8 crores. Including the permissible 10% of the amount issued, the Corporation was able to raise subscriptions to the extent of Rs. 8.80 crores. In June, 1972, the Corporation made an equity issue of Rs. 1.65 crores, being the balance of the authorised capital of Rs. 10 crores, of which 50% was received as application money, bringing the total paid-up capital to Rs. 9.17 crores.

A further line of credit for DM 8 million from the Kreditanstalt of West Germany was allocated to the Corporation. Documentation for a further allocation of U.K. Credit of £ 1 million sterling under U.K./India Capital Investment Loan, 1971 was completed during the year bringing the total U.K. Credit to £ 2 million sterling.

Additional offices of the Corporation were opened at Ahmedabad, Hyderabad, Bhubaneswar and Bangalore during the year.

A conference of Sugar Co-operatives assisted by the Corporation was held on the 2nd April, 1972 with a view to discussing the problems of co-operative sugar factories and the Corporation's existing policies and procedures vis-a-vis the functioning of the co-operatives.

SUMMARY OF OPERATIONS DURING THE YEAR

(Rs. Crores)

Loans	Sanctions (net)		Total	Disbursements]
	Less developed areas	Other areas		
—Rupee	13.25	17.72	30.97	18.04
—Foreign currency	0.09	3.42	3.51	2.95
Underwritings and direct subscriptions	0.76	3.92	4.68	1.00
Guarantees for deferred payments	—	—	—	0.11
	14.10	25.06	39.16	22.10

PROJECTS ASSISTED—INDUSTRY-WISE

Fertilizers	5	Rubber Products	2	Sugar	10
Iron and Steel	6	Automobile Ancillaries	3	Non-Ferrous	1
Paper	5	Metal Products	5	Synthetic Fibres	2
Electrical Machinery	7	Glass	3	Rail Road Equipment	1
Chemicals	5	Cotton Textile	4	Others	9

Total number of Projects : 68

Total number of concerns : 65

SPECIAL FEATURES OF ASSISTANCE

Projects located in less developed areas	17	Projects promoted by new entrepreneurs/technologists	13
Co-operatives assisted	13	New projects assisted with an estimated cost of less than Rs. 5 crores	24
New project assisted	39		

REPORT OF THE BOARD OF DIRECTORS OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA FOR THE YEAR ENDED THE 30TH JUNE, 1972

The Board of Directors present herewith their Twenty-fourth Report on the working of the Corporation, together with the audited Statement of Accounts, for the year ended the 30th June, 1972.

REVIEW OF OPERATIONS DURING THE YEAR

2. Gross financial assistance of Rs. 40.64 crores was sanctioned by the Corporation during the year. After cancellations, the net financial assistance sanctioned amounted to Rs. 39.16 crores for 68 projects. These projects, with a total cost of Rs. 404.70 crores, cover a wide variety of industries. The details of assistance sanctioned for each of these projects, are given in Appendix A.

The Corporation continued to work closely with the other all-India financial institutions viz., the Industrial Development Bank of India (IDBI), the Industrial Credit and Investment Corporation of India Ltd. (ICICI), the Life Insurance Corporation of India (LIC) and the Unit Trust of India (UTI). The number of projects for which the Corporation sanctioned financial assistance jointly with the other all-India financial institutions was 17 and their total cost amounted to Rs. 327.23 crores. Some of the important projects in various sectors of industry for which assistance was sanctioned during the year, are reviewed as follows :

PROJECTS ASSISTED DURING THE YEAR

Fertilizers

3. The Corporation sanctioned assistance totalling Rs. 7.73 crores for the establishment of four new fertilizer projects and for the diversification programme of an assisted concern. The total cost of these projects is estimated at Rs. 247 crores.

The integrated fertilizer complex of the Southern Petrochemical Industries Corporation Ltd., is being established in the joint sector, near Tuticorin in Tamil Nadu. The project proposes to manufacture annually 3,52,000 tonnes of ammonia, a major portion of which will be used for the production of 5,12,000 tonnes of prilled fertilizer-grade urea, 28,000 tonnes of diammonium phosphate and 1,60,000 tonnes of NPK complex fertilizers per year. The assistance sanctioned by the Corporation to this project amounted to Rs. 3 crores. The total cost of the project is estimated at Rs. 71 crores of which the foreign exchange component is about 40%. The project will have the benefit of an all-weather, deep-sea harbour which is being developed at Tuticorin.

The Mangalore Chemicals & Fertilizers Ltd. is another fertilizer project in the joint sector assisted by the Corporation. The project is being located in South Kanara, which is a notified less developed district in Mysore. It envisages the manufacture of 2,17,800 tonnes of ammonia and 3,40,000 tonnes of urea per year. The assistance amounting to Rs. 1.60 crores was sanctioned by the Corporation for this project. The cost of the project is estimated at Rs. 58.05 crores, of which about 36% is expected to be the foreign exchange component.

The Corporation also sanctioned assistance amounting to Rs. 3 crores to the Indian Farmers Fertilizer Co-operative Ltd., for the establishment of two fertilizer plants at Kalol and Kandla which are situated in notified less developed districts of Gujarat. This Co-operative is the first of its kind in the fertilizer industry in India. It is being set up with technical and managerial assistance from the Co-operative Fertilizer International, Chicago, and is being promoted by a federation of co-operatives and the Government of India which has a large stake in the project. The project, which is based on

natural gas, envisages the manufacture, at its Kalol unit, of 3,00,300 tonnes of ammonia per year, the bulk of which will be used in the production of 3,96,000 tonnes of urea. Its unit at Kandla is expected to produce annually about 3,75,500 tonnes of complex fertilizers. The project is estimated to cost Rs. 91.60 crores with a foreign exchange component of 30.6%.

Iron and Steel

4. The iron and steel industry received assistance amounting to Rs. 3.19 crores. Five projects with a total cost of Rs. 8.74 crores were sanctioned assistance amounting to Rs. 2.44 crores. The Corporation also sanctioned additional assistance of Rs. 75 lakhs for the modernisation and diversification programme of Tata Iron and Steel Company Ltd., an assisted concern.

Steel Complex Ltd., promoted by the Kerala State Industrial Development Corporation Ltd., in the joint sector was sanctioned assistance to the extent of Rs. 42.57 lakhs. The project estimated to cost Rs. 3.32 crores, envisages the manufacture of 37,000 tonnes per year of mild, medium carbon and spring steel billets. The Corporation has sanctioned assistance for three other projects for establishing a total capacity of 57,000 tonnes per year of mild, medium and spring steel billets and ingots. Of these, one project with an estimated cost of Rs. 1.20 crores is being located in Unnao, a notified less developed district in Uttar Pradesh and was sanctioned assistance amounting to Rs. 55 lakhs.

Rathi Alloys and Steel Ltd., an assisted concern was sanctioned assistance of Rs. 31.17 lakhs by the Corporation for increasing its installed capacity for the manufacture of mild steel, high carbon and alloy steel billets by 17,000 tonnes per year. The cost of the project is estimated at Rs. 1.74 crores. The company was sanctioned assistance by the Corporation last year for setting up facilities for the manufacture of mild steel and spring steel ingots with an installed capacity of 20,000 tonnes per year.

The establishment of these projects would to some extent relieve the acute scarcity of steel billets and ingots faced by re-rolling mills in the country and their regional dispersal would result in reducing the load on transportation facilities.

Iron Ore

5. The Corporation sanctioned assistance amounting to Rs. 75 lakhs for the first time, for an iron ore mining project. This assistance which was sanctioned to Bolani Ores Ltd., in the joint sector, would be utilised for implementing an integrated scheme of progressive mechanisation of the mining facilities for iron ore to obtain 1,30,000 tonnes of lump-ore and 80,000 tonnes of fines per month. These will be supplied mostly to the Durgapur Steel Plant. The project which is located in Keonjhar, a notified less developed district in Orissa, is estimated to cost Rs. 4.11 crores.

Paper and Paper Products

6. The Corporation sanctioned assistance amounting to Rs. 1.88 crores for five projects in the paper industry. The total cost of these projects is estimated at Rs. 22.27 crores.

Ashok Paper Mills Ltd., in which the Corporation has already a large stake, was sanctioned an additional assistance of Rs. 1 crore for setting up a new plant for the manufacture of writing and printing paper in Goalpara, a notified less developed district in Assam, and for the manufacture of certain speciality papers at its plant in the notified less developed district of Darbhanga, in North Bihar. The cost of the two projects is estimated at Rs. 19.61 crores.

Haryana Coated Papers Ltd., promoted by a new entrepreneur, was sanctioned assistance of Rs. 50.69 lakhs for establishing a project at an estimated cost of Rs. 76 lakhs in Gurgaon district, Haryana, for the manufacture of 1,800 tonnes per year of art and chromo paper.

The Corporation sanctioned assistance of Rs. 32 lakhs for a project envisaging the setting up of a plant at Vapi, in Gujarat, for the manufacture of 3,000 tonnes per year of high quality coated paper and board. The project is estimated to cost Rs. 1.80 crores. High gloss cast coated paper, to be produced for the first time in the country, will have applications in printing and publicity media particularly in connection with the country's export drive. The total additional capacity in the paper industry, which will result from the implementation of these projects, would be about 44,800 tonnes per year. This is a significant addition to the existing capacity of 8.82 lakh tonnes, which, however, has to be further augmented in order to meet the country's growing demand for paper and paper products with the spread of educational facilities in the country and increased use in industry.

Electrical Machinery

7. The Corporation sanctioned assistance amounting to Rs. 1.62 crores for seven projects in the electrical machinery industry with a total cost of Rs. 4.78 crores.

The Corporation sanctioned assistance amounting to Rs. 47 lakhs to a concern in Haryana for its expansion programme estimated to cost Rs. 99 lakhs. With the implementation of the expansion programme, the capacity for the manufacture of fractional HP motors is expected to increase by 20,000 motors per year to 2,20,000 per year. The capacity for the manufacture of fans would be doubted from its present level of 1,00,000 to 2,00,000 fans per year and the capacity for laminations is expected to increase from 200 tonnes to 1,300 tonnes per year. In addition, the project envisages diversification into the production of general purpose motors and stator rotor sets. The project will provide additional employment to about 780 persons. Apart from meeting the growing demand for the company's products, the expansion programme is expected to contribute to the country's export drive.

The Corporation sanctioned assistance of Rs. 35 lakhs for an expansion project envisaging manufacture of 66 KV current and potential transformers, procurement of certain balancing equipment and the setting-up of a Research and Development Division. With the implementation of the expansion programme estimated to cost Rs. 75.32 lakhs, the company would also manufacture magnet and zircon components which are at present being imported.

The Corporation sanctioned assistance amounting to Rs. 29.32 lakhs in each case for two projects, viz., Capital Lighting and Electronic Products Ltd. and Gwalior Lamps and Electricals Ltd., being established in Andhra Pradesh and Madhya Pradesh respectively for the manufacture of 4.5 million GLS lamps each. These are being promoted by new entrepreneurs, one of whom is also a technologist, in collaboration with Sylvania & Laxman Ltd., who have earlier received assistance from the Corporation for setting up a factory in New Delhi for the manufacture of fluorescent tubes, mercury vapour lamps and glass shells, and again later for their expansion programme. These two projects with an estimated cost of Rs. 62.82 lakhs each would meet the growing requirement of GLS lamps as a result of progress in rural electrification and urbanisation. The Corporation also sanctioned assistance for three other projects in this industry.

Tractors

8. The Corporation sanctioned assistance to the extent of Rs. 1.09 crores to Punjab Tractors Ltd., a company promoted by the Punjab State Industrial Development

Corporation Ltd., for establishing a unit for the manufacture of 5,000 'Swaraj' tractors of 20/30 HP per year. A notable feature of the project is its reliance on ancillary industries for more than 80 per cent of its requirements of components, as a result of which about 4,000 persons are expected to be employed in ancillary units in addition to the direct employment of 190 persons in the project. Another significant feature of the project is that it is based on indigenous know-how and technology developed by the Central Mechanical Engineering Research Institute, Durgapur, and licensed through the National Research Development Corporation of India. The 'Swaraj' tractor is expected to cater to the needs of small farmers. The project, which is estimated to cost Rs. 3.70 crores, will help meet the growing demand for tractors with the advent of the Green Revolution. It is also expected to result in foreign exchange savings through substitution of imports.

Chemicals

9. Five projects in the chemical industry with a total cost of Rs. 15.52 crores were sanctioned assistance by the Corporation amounting to Rs. 1.71 crores.

Assistance of Rs. 1 crore was sanctioned to the Travancore-Cochin Chemicals Ltd., a Government of Kerala enterprise, for the establishment of a second unit for the manufacture of 33,000 tonnes per year of caustic soda. The estimated cost of the project is Rs. 9.95 crores. The Corporation also sanctioned financial assistance of Rs. 53.03 lakhs to Andhra Sugars Ltd., for a major expansion involving an increase in capacity for the manufacture of caustic soda from 30 tonnes/day to 100 tonnes/day at a total cost of Rs. 4.94 crores. These projects, on completion, will represent a significant addition to the existing capacity for the manufacture of caustic soda which is an important chemical used in diverse industries and is in short supply.

Automobile Tyres

10. The Corporation sanctioned assistance of Rs. 3 crores to Modi Rubber Ltd., for a project envisaging the manufacture of 4,00,000 each of automobile tyres and tubes per year. The project, with an estimated cost of Rs. 19 crores, is one of the largest projects being established in Uttar Pradesh in recent years. Apart from providing direct employment to more than 500 persons, the project will create additional employment in various ancillary industries. It is being established with the technical collaboration of Continental Gummiwerke, a leading tyre manufacturer in West Germany. The bulk of the tyre production will be in the form of giant tyres for trucks and buses, tractor tyres and tyres for animal drawn vehicles commonly used in Uttar Pradesh. The project would help in meeting the increased transport requirements, particularly of the rural sector, which is expected to result from the growth in agricultural and industrial output and the improved communication network. The project is also expected to earn foreign exchange mainly through the export of nylon tyres for heavy vehicles.

Automobiles and Automobile Ancillaries

11. The Corporation sanctioned assistance totalling Rs. 1.41 crores, for six projects in the automobile and automobile ancillary industries.

Globe Steerings Ltd., promoted by a new entrepreneur, was sanctioned assistance of Rs. 18 lakhs. It proposes to manufacture for the first time in the country 25,000 sets of automobile steering gears per year, in collaboration with Adwest Engineering Ltd., U.K. The project, estimated to cost Rs. 91 lakhs will contribute to saving in foreign exchange through import substitution.

The Corporation sanctioned assistance to the extent of Rs. 50 lakhs to Enfield India Ltd., an assisted concern. The assistance will be utilised for the expansion of capacity for the manufacture of 14,000 motor cycles per year. The project, which is being established in Ramanathapuram district, a notified less developed area in Tamil Nadu, is expected to cost Rs. 1.18 crores.

A project in Mysore was sanctioned assistance of Rs. 60 lakhs for a major expansion of its existing plant at Bangalore and for the establishment of a new unit at Nasik, Maharashtra. Upon implementation of these two projects, at an estimated cost of Rs. 25.80 crores, a substantial increase in the capacity for the manufacture of fuel injection equipment and spark plugs would be achieved.

Metal Products

12. The Corporation sanctioned assistance amounting to Rs. 1.92 crores for five projects for the manufacture of metal products.

The Corporation sanctioned assistance of Rs. 58 lakhs for a project in Haryana envisaging the manufacture of 13,000 tonnes per year of black and galvanised steel tubes. The cost of the project is estimated at Rs. 1 crore. Assistance of Rs. 47.43 lakhs was sanctioned for another project for the manufacture of 39,000 tonnes per year of steel tubular poles. The project which is estimated to cost Rs. 93 lakhs would be located in Unnao, a notified less developed district in Uttar Pradesh.

The Corporation also sanctioned assistance of Rs. 66.20 lakhs for the establishment of facilities for hardening and tempering 2,400 tonnes per year of steel strips. This project, the first of its kind in the country, is estimated to cost Rs. 2.17 crores and is being established in Rajasthan with the collaboration of Hoesch A.G. Walzwerke Hohenlimburg, West Germany.

One project was sanctioned assistance as a measure of rehabilitation.

Glass

13. Three projects in the glass industry with an estimated total cost of Rs. 2.93 crores were sanctioned assistance to the extent of Rs. 56 lakhs.

The Corporation sanctioned assistance of Rs. 45 lakhs for two projects which envisage the manufacture of 37,500 tonnes of glass hollow-ware and crystal-ware per year. One of these, Associated Glass Industries Ltd., is promoted by Andhra Pradesh Industrial Development Corporation Ltd., and the other, Excel Glasses Ltd., which is located in a notified less developed district in Kerala, is promoted by Kerala State Industrial Development Corporation Ltd. The total cost of these two projects is estimated at Rs. 2.75 crores. The Corporation also sanctioned assistance to an assisted concern for its expansion and diversification programme.

Cotton Textile

14. Four projects in the cotton textile industry were sanctioned assistance to the extent of Rs. 1.45 crores. The total cost of these projects is estimated at Rs. 2.26 crores.

The Corporation sanctioned assistance amounting to Rs. 54 lakhs to Nasik District Co-operative Spinning Mills Ltd., for setting up of a spinning mill with a complement of 12,320 spindles. The project with an estimated total cost of Rs. 1.14 crores is expected to provide employment to about 250 persons and its output will be marketed in Malegaon, which is a power loom centre in Maharashtra.

The Corporation also sanctioned assistance totalling Rs. 85.21 lakhs to two cotton textile mills for their expansion and diversification programmes. As the mills are currently exporting a significant part of their production, the Corporation's assistance will further strengthen their position in the export markets.

Sugar

15. The Corporation continued to extend substantial assistance to Sugar Co-operatives. The Corporation sanctioned assistance amounting to Rs. 9.45 crores to ten sugar co-operatives. This assistance would be utilised for establishing four new factories, each with a crushing capacity of 1,250 tonnes of sugarcane per day, and for the expansion programme of five co-operatives which would result in augmenting their crushing capacity by a total of 3,600 tonnes of cane per day. One co-operative was sanctioned assistance for the purchase of a partly completed plant and for meeting the further capital expenditure to be incurred. Of the sugar co-operatives assisted this year, three co-operatives are setting up their factories in the notified less developed districts of Osmanabad, Buldhana and Dhulia in Maharashtra; one co-operative located in the industrially less developed district of Osmanabad is engaged in an expansion programme.

Assistance to new entrepreneurs and technologists

16. Pursuant to the Corporation's policy of encouraging new entrepreneurs and technologists, the Corporation sanctioned, during the year, financial assistance for 13 projects promoted by them.

Suri & Nayar Ltd., a company promoted by technologists, was sanctioned assistance amounting to Rs. 70 lakhs for its project, being located near Bangalore for the manufacture of diesel locomotives, with a range of 47 HP to 600 HP, and automobile bevel gears and pinion gears. This will be the first time that the manufacture of a sophisticated product such as the diesel locomotive, is being undertaken in the country based on indigenous know-how. The project, which is estimated to cost Rs. 1.14 crores, would result in import substitution and also provide employment to more than 400 persons.

Assistance for joint sector projects

17. Of the total assistance sanctioned by the Corporation during the year, Rs. 7.32 crores were sanctioned for seven joint sector projects with a total cost of Rs. 142.93 crores. These projects covered industries like fertilizer, mild steel, glass, tractor and iron ore mining. These projects have been mostly promoted by the various State Industrial Development Corporations in collaboration with entrepreneurs in the private sector.

Applications for assistance

18. During the year, the Corporation received applications for financial assistance from 92 concerns. Of these applications, twenty involved joint financing with other all-India financial institutions. The facility-wise details of applications received during the year are given below:—

	(Rs. Crores)
Facility	Amount
Loans	
—Rupee	130.13
—Foreign currency	7.61
Underwritings	24.33
Guarantees for deferred payments	0.90
	<hr/> 162.97

19. At the beginning of the year, applications from four concerns seeking assistance to the extent of Rs. 89.45 crores, which involved financing jointly with other all-India financial institutions, were being processed by the Corporation. In addition to these, applications from 13 concerns seeking assistance individually from the Corporation to the extent of Rs. 8.75 crores were also under examination.

20. Assistance was sanctioned during the year, to 65 concerns; of these 17 cases involved joint financing and the remaining 48 cases involved financing individually by the Corporation.

Applications from four concerns were treated as withdrawn during the year and one application was rejected as the Corporation felt that the proposal of the company would commend itself more to an investment institution than to a development bank like the IFCI. Two applications were treated as cancelled during the year.

21. At the end of the year, applications from seven concerns for assistance aggregating Rs. 23.05 crores which were intended to be financed jointly with other all-India

financial institutions, were in various stages of processing. In addition to the above, applications from 31 concerns seeking assistance of Rs. 29.99 crores individually from the Corporation were under processing at the end of the year. In all, applications from 38 concerns for assistance amounting to Rs. 53.04 crores were engaging attention at the end of the year; these include one application where a part of the assistance sought by a concern was sanctioned during the year.

22. Applications from 45 concerns which have been received by the Corporation were incomplete in important respects as at the end of the year and these are also being followed up. A statement showing the particulars, Statewise, of applications under processing and applications received, sanctioned, or withdrawn during the year, is given as Appendix D to the Report.

Industry-wise Distribution of Financial Assistance

23. The industry-wise distribution of financial assistance sanctioned during the year under review as also the disbursements made during the year, are shown in Table 1.

Industry	Loans	Under-writings	Total	% of the whole	No. of projects	Disbursements
Sugar	945.00	—	945.00	24.1	10	631.00
Fertilizers	613.22	160.00	773.22	19.7	5	39.75
Iron & Steel	213.74	105.00	318.74	8.2	6	46.04
Rubber Products	250.67	50.00	300.67	7.7	2	74.75
Metal Products	175.68	16.00	191.68	4.9	5	87.13
Paper	177.42	11.00	188.42	4.8	5	46.29
Electrical Machinery	135.30	27.00	162.30	4.2	7	213.98
Basic Industrial Chemicals	152.29	5.00	157.29	4.0	3	5.35
Textile	145.14	—	145.14	3.7	4	366.79
Motor Vehicles	138.48	3.00	141.48	3.6	6	39.40
Synthetic Fibres	99.31	35.00	134.31	3.4	2	267.46
Machinery	84.21	25.00	109.21	2.8	1	143.25
Iron Ore	75.00	—	75.00	1.9	1	—
Rail Road Equipment	60.00	10.00	70.00	1.8	1	—
Jute	65.00	—	65.00	1.6	1	30.41
Glass	51.00	5.00	56.00	1.4	3	15.00
Non-ferrous Metals	29.00	6.00	35.00	0.9	1	0.65
Cement	20.00	—	20.00	0.5	1	36.00
Shipping	—	10.00	10.00	0.3	1	—
Vegetable Oil & Fats	7.50	—	7.50	0.2	1	31.78
Misc. Chemical Products	6.00	—	6.00	0.2	1	78.46
Food Processing	3.85	—	3.85	0.1	1	—
Pottery, China & Earthenware	—	—	—	—	—	13.75
Gas Manufacture & Distribution	—	—	—	—	—	3.53
Coal	—	—	—	—	—	30.00
Wood & Cork	—	—	—	—	—	9.50
Total :	3447.81	468.00	3915.81	100.0	68	2210.27

24. Assistance of the order of Rs. 28.53 crores (about 72.8% of the total assistance) was sanctioned for 39 new projects, while the balance of Rs. 10.63 crores was sanctioned for expansion, diversification and modernisation of existing undertakings. The total estimated cost of the projects in respect of which the Corporation sanctioned assistance during the year aggregated Rs. 404.70

crores; the Corporation's assistance in relation to the total cost amounted to about 9.7%.

Out of the 68 projects assisted by the Corporation, foreign collaboration was involved in 17 projects.

State-wise Distribution of Financial Assistance

25. The State-wise distribution of financial assistance sanctioned by the Corporation during the year as also the disbursements made during the year, are shown in Table 2.

State	Loans	Under-writings	Total	% of the whole	No. of projects	Disbursements
Maharashtra	996.38	13.00	1009.38	25.8	19	714.88
Tamil Nadu	355.26	135.00	490.26	12.5	6	215.24
Uttar Pradesh	410.50	76.00	486.50	12.4	8	294.92
Gujarat	429.22	16.00	445.22	11.4	6	113.60
Mysore	220.00	70.00	290.00	7.4	3	123.21
Haryana	250.12	30.00	280.12	7.1	7	143.61
Kerala	194.38	10.00	204.38	5.2	5	37.00
Orissa	123.71	—	123.71	3.2	2	90.32
Punjab	84.21	25.00	109.21	2.8	1	0.49
Andhra Pradesh	97.01	8.00	105.01	2.7	4	104.67
Rajasthan	95.70	7.00	102.70	2.6	2	100.77
Assam	100.00	—	100.00	2.6	1	—
Bihar	—	75.00	75.00	1.9	2	45.59
West Bengal	65.00	—	65.00	1.7	1	113.12
Madhya Pradesh	26.32	3.00	29.32	0.7	1	112.85
Total :	3447.81	468.00	3915.81	100.0	68	2210.27

26. The Corporation's assistance reached 15 States. Industrial projects in seven industrially less developed States, viz., Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh, were sanctioned assistance to the extent of Rs. 10.22 crores representing 26.1% of the total.

Assistance to Maharashtra amounted to Rs. 10.09 crores of which Rs. 8.55 crores being 84.7% were sanctioned to sugar co-operatives.

The names of concerns in each State to whom financial assistance was sanctioned, with particulars of the relative projects assisted, are given in Appendix A of the Report.

Some special Features of Assistance sanctioned during the year

27. During the year under review, the Corporation sanctioned financial assistance of the order of Rs. 14.10 crores for 17 projects located in the notified less developed districts/areas. The total estimated cost of these projects was Rs. 189.82 crores.

28. Thirteen projects with an estimated cost of Rs. 8.80 crores promoted by new entrepreneurs and technologists received, during the year, assistance from the Corporation to the extent of Rs. 3.73 crores.

29. The Corporation also sanctioned financial assistance amounting to Rs. 1 crore to a public sector undertaking located in Kerala.

Assistance to export Oriented Cotton Textile Mills

30. The Government of India introduced during the year a scheme of financial assistance for the modernisation of the export-oriented mills in the cotton textile industry.

The scheme covers those cotton textile units which exported more than 15 per cent of their production during each of the last two financial years, irrespective of whether they are spinning, weaving or composite mills. Concessional finance will be available for such units from the Corporation.

While the Corporation will handle all applications for loans for modernisation under the scheme, it will apply its normal criteria for determining the economic and technical viability of the applicant units.

Rate of Interest

31. There was no change in the rate of interest charged by the Corporation during the year. The effective rate of interest continued to be 8½% per annum on rupee loans and 9% per annum on sub-loans in foreign currencies. Concessional effective interest rate of 7% per annum is being charged on rupee loans for projects located in the notified less developed districts/areas, subject to certain conditions mentioned elsewhere in the Report.

Total operations from the 1st July, 1948 to the 30th June, 1972

32. The total net assistance sanctioned upto the 30th June, 1972 amounted to Rs. 397.86 crores covering 565 industrial projects and 521 concerns. Disbursements amounted to Rs. 340.86 crores of which cash disbursements were of the order of Rs. 289.77 crores. Total assistance outstanding was Rs. 203.79 crores at the close of the year under review. The following table gives the number of sanctions, net cumulative sanctions, the amount disbursed and the assistance outstanding as on the 30th June, 1972.

TABLE 3

(Rs. Crores)

	Sanctions (net)		Assistance	
	Number of sanctions	Amount	Disbursed	Outstanding
			Amount	Amount
1. Loans				
—Rupee	730	264.31	227.65	141.07
—Foreign currency	177	47.20	38.42	27.42
TOTAL :	907	311.51	266.07	168.49
2. Underwritings				
—Equity shares	153	13.56	7.97	6.38
—Preference shares	121	8.09	5.58	3.70
—Debentures	22	9.98	7.58	4.68
TOTAL :	296	31.63	21.13	14.76
3. Direct subscriptions				
—Equity shares	17	0.98	0.62	(a) 1.43
—Preference shares	6	0.25	0.13	0.66
—Debentures	1	1.82	1.82	1.37
TOTAL :	24	3.05	2.57	3.46
TOTAL OF 1 TO 3	1227	346.19	289.77	186.71
4. Guarantees				
—for deferred payments	41	28.20	27.76	(b) 5.88
—for foreign loans	5	23.47	23.33	11.20
TOTAL :	46	51.67	51.09	17.08
GRAND TOTAL :	1273	397.86	340.86	203.79

(a) Includes Rs. 1.28 crores being part of outstanding loans of 6 companies converted into shares and Rs. 0.06 crore of convertible debentures of another company converted into equity shares.

(b) Guarantees actually issued.

Net Financial Assistance sanctioned and disbursed Yearwise from the 1st July 1948 to the 30th June, 1972.

33. The net total financial assistance sanctioned and disbursed by the Corporation during the last twenty-four years, classified according to the Five-Year Plans, is shown in the following table :—

TABLE 4

(Rs. Crores)

Year ended the 30th June	Net financial assistance sanctioned during the year				Amount disbursed during the year			
	Loans	Under- writings	Guaran- tees	Total	Loans	Under- writings	Guaran- tees	Total
PERIOD PRIOR TO THE FIRST PLAN :								
1949	3.25	—	—	3.25	1.33	—	—	1.33
1950	2.90	—	—	2.90	2.08	—	—	2.08
1951	1.98	—	—	1.98	2.38	—	—	2.38
TOTAL :	8.13	—	—	8.13	5.79	—	—	5.79
THE FIRST PLAN PERIOD								
1952	3.20	—	—	3.20	1.78	—	—	1.78
1953	0.53	—	—	0.53	2.50	—	—	2.50
1954	4.10	—	—	4.10	2.82	—	—	2.82
1955	5.13	—	—	5.13	1.64	—	—	1.64
1956	14.06	—	—	14.06	2.20	—	—	2.20
TOTAL :	27.02	—	—	27.02	10.94	—	—	10.94
THE SECOND PLAN PERIOD :								
1957	9.15	—	—	9.15	9.78	—	—	9.78
1958	5.93	0.75	1.82	8.50	8.33	—	—	8.33
1959	2.77	0.87	0.27	3.91	7.48	0.66	—	8.14
1960	12.62	0.10	6.06	18.78	8.41	0.17	2.09	10.67
1961	18.58	1.84	8.29	28.71	6.62	0.48	13.02	20.12
TOTAL :	49.05	3.56	16.44	69.05	40.62	1.31	15.11	57.04
THE THIRD PLAN PERIOD :								
1962	17.84	0.73	0.48	19.05	10.92	0.24	0.41	11.57
1963	19.82	4.63	10.62	35.07	15.05	3.99	3.18	22.22
1964	23.61	4.30	13.16	41.07	16.94	1.96	6.39	25.29
1965	19.39	3.55	3.92	26.86	19.79	3.36	14.65	37.80
1966	21.49	3.96	1.35	26.80	23.99	4.48	2.17	30.64
TOTAL :	102.15	17.17	29.53	148.85	86.69	14.03	26.80	127.52
THE ANNUAL PLANS :								
1967	12.34	1.87	4.00	18.21	29.52	2.90	5.64	38.06
1968	15.70	1.49	0.85	18.04	23.35	1.06	2.61	27.02
1969	22.75	2.42	0.29	25.46	15.03	1.68	0.28	16.99
TOTAL :	50.79	5.78	5.14	61.71	67.90	5.64	8.53	82.07
THE FOURTH PLAN PERIOD :								
1970	11.86	1.19	0.14	13.19	16.86	0.85	0.34	18.05
1971	28.03	2.30	0.42	30.75	16.28	0.87	0.20	17.35
1972	34.48	4.68	—	39.16@	20.99	1.00	0.11	22.10
TOTAL :	74.37	8.17	0.56	83.10*	54.13	2.72	0.65	57.50
GRAND TOTAL :	311.51	34.68*	51.67	397.86	266.07	23.70	51.09	340.86

*Includes direct subscription of Rs. 3.05 crores.

@This excludes reallocation of facilities made during the year to the extent of Rs. 2.11 crores in respect of earlier sanctions. Similar adjustment has not been carried out for prior years.

Note : The figures given in the table do not tally with those given in the previous years on account of cancellations/adjustments subsequently made in the figures for the previous years.

Assistance to Industrial Co-operatives

34. In accordance with the national policies and objectives laid down in the successive Five Year Plans of the country, the Corporation has for the last several years, been actively participating in the financing of industrial co-operatives, in particular sugar and cotton textile co-operatives. The total assistance to co-operatives sanctioned by the Corporation upto the 30th June, 1972 amounted to Rs. 87.45 crores in respect of 105 projects; this was 22% of the total assistance sanctioned by the Corporation since its inception. 79 sugar co-operatives claimed the

bulk of the assistance aggregating Rs. 73.32 crores while Rs. 10.12 crores were sanctioned to 22 textile co-operatives. Assistance was also sanctioned to one co-operative jute mill (Rs. 78.50 lakhs), one co-operative unit for the extraction of vegetable oil (Rs. 22.50 lakhs) and one co-operative in the fertilizer industry (Rs. 3 crores). Disbursements aggregated Rs. 72.88 crores. Of the total number of projects in the co-operative sector assisted by the Corporation upto the 30th June, 1972, 41 projects were located in the notified less developed districts. The amount of financial assistance sanctioned to these projects aggregated Rs. 33.63 crores.

The assistance given to the industrial co-operatives has in all cases been in the form of rupee loans. However, in the case of one sugar co-operative in Maharashtra, the assistance included a sub-loan in foreign currency amounting to DM 0.400 million (Rs. 7.86 lakhs) which has been fully utilised.

35. Sugar co-operatives financed by the Corporation are spread all over the country. However, States like Maharashtra, Gujarat, Mysore and Tamil Nadu, where

the co-operative movement has made good progress, have been able to promote a larger number of sugar co-operatives and as a result, the number of sugar co-operatives financed by the Corporation in these States is also larger compared with the number of co-operatives financed by it in other States.

36. The State-wise and industry-wise distribution of industrial co-operatives financed by the Corporation upto the 30th June, 1972, is given in Table 5.

TABLE 5

(Rs. Lakhs)

State	Sugar		Cotton spinning		Others		Total sanctions		% of the total	Total disbursements	Loans outstanding
	No.	Amount	No.	Amount	No.	Amount	No.	Amount		Amount	Amount
Andhra Pradesh	6	585.00	3	110.00	—	—	9	695.00	7.9	600.00	369.44
Assam	1	60.00	—	—	1*	78.50	2	138.50	1.6	138.50	80.44
Bihar	1	115.00	1	24.70	—	—	2	139.70	1.6	114.70	141.51
Gujarat	7	445.50	2	170.00	2@	300.00	11	915.50	10.5	513.50	398.20
Haryana	2	106.00	—	—	—	—	2	106.00	1.2	106.00	—
Kerala	2	180.00	—	—	—	—	2	180.00	2.1	180.00	239.85
Madhya Pradesh	1	80.00	1	40.00	—	—	2	120.00	1.4	120.00	120.00
Maharashtra	32	3599.70	9	436.50	—	—	41	4036.20	46.2	3229.20	1885.13
Mysore	8	627.75	2	79.00	1**	22.50	11	729.25	8.3	618.75	441.91
Orissa	2	175.00	1	31.00	—	—	3	206.00	2.3	206.00	166.90
Punjab	4	315.00	—	—	—	—	4	315.00	3.6	315.00	187.00
Rajasthan	1	80.00	1	45.50	—	—	2	125.50	1.4	113.00	116.49
Tamil Nadu	7	583.00	1	35.00	—	—	8	618.00	7.1	613.00	348.11
Uttar Pradesh	5	380.00	1	40.00	—	—	6	420.00	4.8	420.00	162.65
TOTAL :	79	7331.95	22	1011.70	4	401.00	105	8744.65	100.0	7287.65	4657.63

*Jute co-operative

@Fertilizer co-operative

**Vegetable oil extraction.

37. The total cost of 79 co-operative sugar projects financed by the Corporation was Rs. 152.49 crores, of which 48.1% was contributed by the Corporation as long-term loans. A uniform pattern of financing has been evolved for promoting sugar co-operative projects whereby the grower members of the co-operative societies, the State Governments, the co-operative banks, the Life Insurance Corporation of India (in certain cases) and the Corporation contribute their respective shares to meet the total cost of the project.

Though the promotion of a sugar co-operative is an economically and socially desirable objective, the Corporation has necessarily to be satisfied about the financial and technical viability of the project on the basis of a detailed appraisal as also follow-up after sanction. This policy of the Corporation has proved fruitful inasmuch as the projects financed by the Corporation have, barring a few cases, been quite successful as can be seen from the fact that no less than 18 assisted projects have been sanctioned assistance for their expansion by the Corporation. In order to facilitate compliance with the Corporation's pro-

cedures, special attention has been given to the simplification and standardisation of the loan application forms for sugar and textile co-operatives and other relevant documents.

38. The Corporation has also offering special concessions to the co-operatives in regard to levy of commitment charge. Further, the scheme of concessional finance announced by the all-India financial institutions in July, 1970, though normally applicable to projects where the total cost does not exceed Rs. 1 crore, has been extended by the Corporation to the co-operatives irrespective of the cost of the project. The Corporation has so far approved concessional finance to six co-operatives with a net total assistance of Rs. 6.36 crores.

Assistance to the Corporate Sector

39. The Corporation's financial assistance, since its inception, to the corporate sector has amounted to Rs. 310.41 crores in respect of 460 projects covering a wide variety of industries.

40. The industry-wise distribution of assistance is given in Table 6.

TABLE 6

Type of Industry	No. of Projects	Loans	Under-writings	Guarantees	Total	(Rs. Lakhs)
						% of the whole
Textiles :						
—Cotton	71	2680.55	197.50	278.21	3156.26	10.2
—Jute	13	511.81	—	—	511.81	1.6
Chemicals & Chemical Products	43	2703.87	276.10	421.75	3401.72	10.9
Non-ferrous Metals	11	938.97	301.00	1945.65	3185.62	10.3
Fertilizers	8	1073.82	384.43	1278.86	2737.11	8.8
Paper	29	1780.00	170.07	551.16	2501.23	8.1
Metal Products	57	1922.53	442.60	130.26	2495.39	8.0
Cement	26	1680.16	210.89	18.54	1909.59	6.2
Machinery	23	1214.53	104.70	105.01	1424.24	4.6
Electrical Equipment	38	1248.02	167.24	—	1415.26	4.6
Rubber Products	9	1005.41	77.00	265.61	1348.02	4.3
Synthetic Fibres	14	1091.49	131.25	42.35	1265.09	4.1
Motor Vehicles	21	1002.66	203.00	26.95	1232.61	4.0
Iron & Steel	11	779.22	252.25	—	1031.47	3.3
Ceramics & Glass	24	779.04	43.00	—	822.04	2.6
Sugar	17	632.94	49.00	—	681.94	2.2
Mining & Quarrying	6	197.00	360.00	—	557.00	1.8
Hotels	5	268.12	7.00	93.00	368.12	1.2
Others	34	896.31	90.40	9.61	996.32	3.2
TOTAL :	460	22406.45	3467.43	5166.96	31040.84	100.0

41. The following table gives the State-wise distribution of financial assistance sanctioned to the corporate sector :

TABLE 7

State/Territory	No. of Projects	Loans	Under-writings	Guarantees	Total	(Rs. Lakhs)
						% of the whole
Tamil Nadu	56	3025.40	545.38	1227.06	4797.84	15.5
Maharashtra	80	3321.37	571.28	375.93	4268.58	13.8
West Bengal	70	3190.17	217.50	532.13	3939.80	12.7
Uttar Pradesh	38	2284.77	272.25	322.31	2879.33	9.3
Bihar	23	1443.05	288.00	329.75	2060.80	6.6
Gujarat	35	1686.03	187.32	127.30	2000.65	6.4
Andhra Pradesh	25	836.43	182.82	925.82	1945.07	6.3
Mysore	30	1238.74	265.50	221.52	1725.76	5.6
Rajasthan	12	800.84	22.50	757.35	1580.69	5.1
Kerala	17	1006.33	29.50	172.47	1208.30	3.9
Haryana	26	1035.87	104.38	20.08	1160.33	3.7
Orissa	14	937.04	95.00	—	1032.04	3.3
Madhya Pradesh	14	564.14	226.25	39.82	830.21	2.7
Assam	5	263.29	350.00	—	613.29	2.0
Punjab	8	427.36	25.00	9.96	462.32	1.5
Delhi	3	187.62	9.75	97.30	294.67	0.9
Meghalaya	1	95.00	—	—	95.00	0.3
Goa	1	—	75.00	—	75.00	0.2
Pondicherry	1	52.00	—	8.16	60.16	0.2
Andaman & Nicobar Islands	1	11.00	—	—	11.00	—
TOTAL :	460	22406.45	3467.43	5177.96	31040.84	100.0

Rupee Loans

42. Rupee loan assistance amounting to Rs. 176.94 crores formed 57% of the total assistance to the corporate sector. The disbursements of rupee loans amounted to Rs. 154.85 crores, constituting about 71.3% of the total cash disbursements to the corporate sector.

Foreign Currency Loans

43. Foreign currency loans sanctioned by the Corporation to the corporate sector aggregated Rs. 47.12 crores while disbursements amounted to Rs. 38.34 crores.

The cumulative position relating to foreign currency loans as on the 30th June, 1972, is given in Table 8.

TABLE 8

Currency	Sanctions (net)			Letters of Credit/Commitments issued		Amount disbursed	
	Number of sub-loans	Foreign currency (million)	Rupee equivalent (lakhs)	Foreign currency (million)	Rupee equivalent (lakhs)	Foreign currency (million)	Rupee equivalent (lakhs)
Deutsche Marks	114	114.10	2325.58	98.42	2004.12	83.76	1703.70
U.S. Dollars	57	26.75	1963.27	26.75	1963.27	26.75	1963.27
French Francs	11	13.01	177.92	12.56	171.61	12.24	167.44
Pound Sterling	12	1.27	244.94	0.02	4.60	—	—
TOTAL :	194		4711.71		4143.60		3834.41

Underwritings

44. Upto the 30th June, 1972, the Corporation had sanctioned 296 applications for the underwriting of equity shares, preference shares and debentures for a net amount of Rs. 31.63 crores.

The position in respect of the issues underwritten and finalised upto the 30th June, 1972, is given in Table 9 :

TABLE 9

(Rs. Lakhs)

	Amount under-written	Amount devolved	Percentage of (3) to (2)
1	2	3	4
Equity shares	1178.55	800.29	67.9
Preference shares	736.79	582.81	79.1
Debentures	873.00	758.20	86.8
	2788.34	2141.30	76.8

The Corporation sanctioned 18 applications for firm subscription for Rs. 304.52 lakhs which included Rs. 97.53 lakhs for equity shares, Rs. 24.99 lakhs for preference

shares and Rs. 182.00 lakhs for debentures. Of these, direct subscription for six Rights Issues in respect of shares held by the Corporation in pursuance of underwriting obligations amounted to Rs. 24.11 lakhs.

Guarantees for Deferred Payments for Plant and Machinery

45. The net amount of guarantees for deferred payments sanctioned upto the 30th June, 1972 amounted to Rs. 28.20 crores in respect of 41 applications. The total amount of guarantees actually issued upto the 30th June, 1972 was Rs. 27.76 crores.

Guarantees for Foreign Currency Loans from Financial Institutions Abroad

46. As on the 30th June, 1972, the Corporation had sanctioned guarantees for foreign currency loans amounting to Rs. 23.47 crores in respect of 5 applications; guarantees issued by the Corporation totalled Rs. 23.33 crores.

Purpose-wise Distribution of Financial Assistance Sanctioned upto the 30th June, 1972

47. The purpose-wise classification of net financial assistance sanctioned upto the 30th June, 1972 alongwith the total cost of the projects financed by the Corporation is shown in Table 10.

TABLE 10

(Rs. Crores)

Purpose of financial assistance	Total cost of the projects	Net financial assistance sanctioned				Percentage of (6) to (2)
		Loans	Underwritings and direct subscriptions	Guarantees for deferred payments and for foreign loans	Total	
1	2	3	4	5	6	7
New undertakings	1346.74	193.00	24.71	42.14	259.85	19.3
Existing undertakings for :						
(i) Expansion of existing lines of production	493.14	91.28	7.34	6.93	105.55	21.4
(ii) Modernisation and rehabilitation etc.	105.90	15.59	2.11	0.53	18.23	17.2
(iii) Diversification into new lines of production	60.04	11.64	0.52	2.07	14.23	23.7
TOTAL :	2005.82	311.51	34.68	51.67	397.86	19.8

Assistance of the order of Rs. 259.85 crores being 65.3% of the total net assistance sanctioned by the Corporation was extended to new undertakings and assistance of Rs. 138.01 crores was extended to existing projects for expansion modernisation and/or diversification. The total cost of the 565 projects for which the Corporation has so far extended financial assistance is of the order of Rs. 2,006 crores, which is an index of the over-all resources mobilised for the completion of the projects.

The State-wise and industry wise distribution of the net financial assistance sanctioned upto the 30th June, 1972 is given in Appendices B and C respectively to the Report. Appendix E shows the industry-wise distribution of the net financial assistance sanctioned in each State, as on the 30th June, 1972. In Appendix H, the net financial assistance has been classified according to the amounts sanctioned to various industrial concerns.

Assistance to Industrially Less Developed Regions

48. The correction of regional imbalances has been one of the long-term objectives of economic and social policies embodied in the country's Five-Year Plans. Imbalances in economic development and the resulting disparities in income exist not only among different States but also among different areas within a State.

49. The Corporation has all along recognised the need for achieving dispersal of industries in the country with a view to help remove regional imbalances in the economy and has played its part in stimulating industrial growth in less developed areas. Of the total assistance the order of Rs. 397.86 crores sanctioned for 565 industrial projects upto the 30th June, 1972, about 26.9% of the assistance, i.e. Rs. 107.11 crores, was sanctioned for 148 industrial projects in the notified less developed areas.

50. In order to give a fillip to industrialisation in the less developed areas, the Central Government has notified, in consultation with the State Governments and the Planning Commission, certain districts/areas as qualifying for concessional finance from the all-India financial institutions in respect of industrial projects that may be located in them.

The districts/areas notified by the Central Government as industrially less developed upto the 30th June, 1972 are shown in Appendix I. The concessions offered by the Corporation to industrial projects located in the notified districts/areas include a lower effective rate of interest of 7% p.a. against the current 8½%; longer initial grace period upto 5 years and extended amortisation period upto 15/20 years; reduced margin of security; lower contribution of the promoters to the cost of the project and larger participation by the Corporation in the share capital of the concern; and finally a 50% reduction in the Corporation's normal service charges. These concessions are normally applicable to projects costing less than Rs. 1 crore; larger projects are considered for concessions on a selective basis. The concessions are also applicable to expansion schemes of existing units, where the additional fixed capital investment involved is not less than 25% of the investment already made by the unit. In the case of industrial co-operatives it has been decided to extend these concessions irrespective of the cost of the project. The concessional finance extended by the Corporation is in addition to the scheme of capital investment subsidy of the Central Government in selected less developed districts notified for the purpose. The concessions that have already been announced by the Corporation are shown in Appendix J.

51. Alongwith other all-India financial institutions, the Corporation has participated in surveys of the less developed States/Union Territories which have been sponsored by IDBI with a view to assessing their industrial potential and for identifying projects which could be imple-

mented over the short term. The Corporation is offering assistance to the various State Industrial Development Corporations and the State Governments in implementing their project ideas, alongwith other all-India financial institutions.

Assistance to new Entrepreneurs and Technologists

52. The Corporation has continued to give special attention to industrial concerns which are promoted by new entrepreneurs and technologists.

53. Over the years, the Corporation has assisted about one hundred industrial projects promoted by new entrepreneurs and technologists in industries such as engineering, textiles, chemicals, sugar, cement, paper and paper products, rubber products, glass, hotels, etc. The total assistance sanctioned so far to these concerns promoted by the new entrepreneurs and technologists in 13 States and one Union Territory amounted to about 10 per cent of the total sanctions accorded by the Corporation. Most of these projects have turned out to be quite successful. A number of new entrepreneurs and technologists assisted by the Corporation have made their mark in the industrial field and have expanded their operations from small beginnings.

Assistance to Public Sector Undertakings

54. As mentioned in the last Report the Central Government has authorised the Corporation to entertain applications for financial assistance from public sector undertakings (irrespective of the extent of Government's shareholdings in them) on the same basis as applications from private sector concerns. Public sector undertakings, which are incorporated as public limited companies, are thus eligible to apply to the Corporation for financial assistance for expansion, modernisation, diversification or for the setting-up of new projects. The financial assistance extended to 6 public sector undertakings amounted to Rs. 6.92 crores upto the 30th June, 1972.

CRITERIA AND PROCEDURE ADOPTED FOR GRANT OF FINANCIAL ASSISTANCE

55. In the grant of financial assistance, the Corporation is guided by the national priorities indicated in the Five Year Plans and the policies of Government such as those in regard to regional dispersal of industries, encouragement to industrial co-operatives and to new entrepreneurs and technologists entering industry for the first time.

The Corporation which is established under an Act of Parliament is required to act on business principles, due regard being had to the interests of industry, commerce and the general public.

As the industrial projects seeking assistance are in the nature of business risks, the Corporation examines them in the light of several factors involved, viz., the relative industrial and national priority of the project in the economy of the country, the technical, financial and economic viability of the project, the background of the promoters and their own financial contribution to the project cost, the quality of technical, financial and executive management for the construction and operation of the project.

The Corporation's approach is project-oriented and as such, the technical, financial, economic and managerial aspects of a project are carefully appraised.

In examining the technical aspects, for example, such aspects as selection of the technical process, location of the project, specifications of plant and equipment, plant layout, reputation and experience of the machinery suppliers, estimated cost of the project, selection of technical consultants, arrangements for securing technical know-

how and training of personnel and labour, arrangements for utilities required and the projected construction schedule, are carefully considered. Appraisal of the financial aspects of a project involves an assessment of its cost including working capital requirements, review of the proposed financing pattern, and the arrangements for meeting the foreign exchange cost, etc. Again, it is necessary to ensure that the project has a sound equity : debt ratio and a balanced capital structure, the promoters' contribution to the project cost is reasonable and the long-term debts can be properly serviced and a reasonable return is assured to the shareholders on the basis of realistic projections of profitability and cash flow.

The economic aspects of a project are appraised in considerable detail. A market analysis covering the existing and potential demand for the product is made and the export potential of the product is also assessed. The project's contribution to the improvement of the country's foreign exchange position, its employment potential, and the scope for establishing new ancillary industries are evaluated. More techniques of economic appraisal such as computation of the Internal Rate of Return together with Cost/Benefit analysis for the larger projects are also being increasingly adopted.

The study of the managerial aspects aims at ensuring that the concern has a competent Board of Directors and a qualified and competent technical, financial and executive management team both for implementation and operation of the project.

After a detailed appraisal of the project has been made by the technical, financial and economic staff of the Corporation, the views of the appropriate Advisory Committee, which consists of experts drawn from the public and private sectors having specialised knowledge of the particular industry, are obtained. Thereafter, the Board of Directors of the Corporation takes a decision on each case after taking into account the recommendations of the Advisory Committee. A reference to the Advisory Committee is, however, dispensed with, where assistance required is small and is not for any new project as such, but for acquisition of plant and machinery by way of modernisation, balancing equipment or marginal expansion. In the case of large projects involving joint financing with other all-India financial institutions, mutual consultations are held at regular intervals at inter-institutional meetings or at special conferences. To expedite processing of requests for financial assistance in such cases, generally, joint technical and financial appraisals are carried out by teams of officers of participating institutions.

After financial assistance is sanctioned by the Board of Directors of the Corporation, a Letter of Intent is issued to the applicant communicating the sanction, in principle, of the facility applied for and also indicating broadly the main terms and conditions governing the same. Thereafter, the borrower is required to execute a Loan Agreement and other documents of security the forms of which have been standardised and got printed.

Disbursements start only after completion of legal formalities and on compliance with conditions precedent to disbursement of loans as incorporated in the relative Loan Agreement. The legal formalities have, however, been considerably simplified to minimise delays. Subsequent disbursements are made according to the requirements of the project after verification of the progress made in its implementation and utilisation of earlier releases of loan, etc.

Both during the construction period of a project and after its implementation, the Corporation maintains the necessary follow-up. An assisted concern is required to submit regular progress reports in the prescribed forms

as also its audited balance sheets. The technical and financial officers of the Corporation inspect the project from time to time to verify its physical and financial progress and to offer the guidance that may be required. After a project has gone on stream, inspections at regular intervals by the technical and financial officers of the Corporation continue under the Corporation's normal follow-up procedures.

56. It will be recalled that pursuant to the recommendations of the Industrial Licensing Policy Inquiry Committee, the Central Government decided in February, 1970 to issue certain policy guidelines in regard to assistance from public financial institutions. With the acceptance of the joint sector concept in principle, it was decided that there should be a greater degree of participation in management, particularly at policy levels, in the case of the major projects involving substantial assistance from public financial institutions. Government also decided that public financial institutions should also, as part of their financial assistance arrangements, stipulate a condition for option to convert rupee loans given and debenture holdings, in future, either wholly or partly, into equity within a specified period of time. As for loans given and debentures held in the past, the financial institutions concerned should have discretion to negotiate conversion in cases of default.

The Central Government have issued detailed guidelines on Government decisions on the recommendations of the Industrial Licensing Policy Inquiry Committee in regard to policies to be followed by the long-term financial institutions for conversion of loans into equity and for nomination of directors on the Boards of the assisted concerns. These guidelines have been issued to the all-India financial institutions, viz., IDBI, ICICI, LIC, UTI and the Corporation.

In terms of these guidelines, it has become obligatory on the financial institutions to normally stipulate a condition for option to convert a portion of the loan into equity in all cases where the aggregate financial assistance exceeds Rs. 50 lakhs. In all cases where the aggregate financial assistance to an industrial concern exceeds Rs. 25 lakhs but does not exceed Rs. 50 lakhs, the condition for incorporation of the convertibility clause may be stipulated at the discretion of the financial institutions. In exercising the discretion, all material factors besides the normal commercial ones, have to be taken into consideration such as whether the assisted concern forms part of the 'core sector' as classified by the Government from time to time, or is a defence-oriented industry, or an industry producing essential items of mass consumption. In cases where the aggregate financial assistance to an industrial concern does not exceed Rs. 25 lakhs, the condition for conversion of a part of the loan into equity need not be insisted upon as a measure of policy unless the financial institutions themselves so decide on commercial grounds.

The condition for conversion of the whole or part of the loan into equity does not apply to sub-loans in foreign currency granted by the Indian financial institutions to industrial concerns out of foreign currency lines of credit made available by foreign institutions directly to Indian financial institutions for sub-lending. However, the convertibility clause applies to all appropriate loan agreements/debenture issues covering rupees assistance from the financial institutions to industrial concerns to enable the latter to purchase foreign exchange from foreign lines of credit operated by the Government of India or from any other source abroad.

The terms of conversion of loans/debentures into equity capital such as, the quantum of the loan to be converted, the issue price of the share, the stage or stages at which conversion option might be exercised,

the period during which the option would remain open, the period of notice, if any, to be given for exercise of the option, etc., are negotiated in each case and are incorporated in the Loan Agreement. In settling the terms, due consideration is given to factors such as nature and importance of the industry, the likely gestation period of the project, the debt : equity gearing, the projected profit potential, the prospects of expansion, etc. In the case of existing companies with reserves created out of past profits, in fixing the issue price of the share, consideration is given to factors such as market value of the share, the break-up value of the share, the existing reserves, dividend record current and projected profitability, etc.

Where the convertibility clause is stipulated, the company concerned has to obtain the approval of its shareholders and of Central Government to the terms of conversion under the provisions of Section 81(3) of the Companies Act.

During the year ended the 30th June, 1972, the Corporation has stipulated the condition for conversion of loan into equity at the option of the Corporation in respect of 35 concerns to whom rupee and pound sterling loans were sanctioned during the year. Out of the 35 concerns mentioned above, one concern declined to avail of the facility sanctioned by the Corporation. Loan Agreements incorporating the terms and conditions of conversion have been executed in 10 cases and in the remaining 24 cases, terms and conditions of conversion are being finalised.

Under the aforesaid guidelines, the all-India financial institutions including the Corporation, are required to nominate their representatives, officials or non-officials, on the Boards of all assisted concerns where substantial financial assistance has been sanctioned and where the convertibility clause has been incorporated in the agreements for financial assistance. In other cases the financial institutions will exercise their discretion whether or not to nominate directors on the Boards of assisted concerns.

GENERAL REVIEW OF INDUSTRIES PARTICULARLY IN THE FIELDS IN WHICH THE CORPORATION HAS RENDERED FINANCIAL ASSISTANCE

57. Industrial production rose by 3.1% in 1971 over the 1970 level. The low level of industrial activity was a result of lower production of cotton textiles due to shortage of cotton, lower output of sugar, restricted production in certain industries like paper and caustic soda as a result of capacity constraints, and lower capacity utilisation in the steel industry as a result of operational problems and labour troubles. A number of steel based and engineering industries faced shortage of steel which was relieved to some extent by imports. As a result of continued progress in rural electrification, electrical machinery industry also fared well during 1971. With the favourable cotton crop in 1971 and the fall in the prices of cotton, the profitability in the cotton textile industry have improved. The drop in sugarcane availability during the 1971-72 sugar season has resulted in a decline in the output of sugar. In order to accelerate industrial production, the expansion in output beyond the licensed capacity under certain conditions, in the case of 54 selected industries including basic industries such as iron and steel, engineering and several consumer goods industries.

Alloy and special steel production was 3.2 lakh tonnes in 1971. Though this level was about 10% lower than in the previous year, the industry, as a whole, has made considerable progress by achieving a 23.1% increase in production over the past two years and by diversifying its range of production to include construction steels, high carbon steels, free cutting steels etc., the industry is now in a position to meet the bulk of the domestic demand.

The production of black and galvanised steel pipes was about 2.18 lakh tonnes in 1971 as against the installed capacity of 6 lakh tonnes in 14 units which have been licensed. There is considerable capacity in this industry whose performance was adversely affected in 1971 by shortage of steel skelp and strips. The concerns assisted by the Corporation also faced raw material shortages.

The production of tractors in 1971 declined by 21% from its level in 1970. Closure of a factory due to labour troubles and financial difficulties faced by another concern contributed largely to the decline in production. Imports of SKD/CKD tractors during the year was another factor depressing production levels. One tractor unit assisted by the Corporation, which went into production in 1971, also experienced difficulties in marketing its product. The installed capacity of the industry however, increased by about 29% during the year. The distribution of tractors was brought under statutory control from 1-9-1971 and a procedure for registration of orders for the purchase of new tractors has been laid down. With the increased modernisation of agriculture, the demand for tractors is expected to increase over the years, particularly for those of lower horse power.

Production of electric fans increased from 1.5 million in 1970 to 1.9 million in 1971, indicating 105% capacity utilisation as against 87% in 1970. With increased rural electrification and growing urbanisation in the country, the demand for fans is likely to grow further. As the present capacity is fully utilised, there is need to add fresh capacity.

In the house service meter industry, production increased by 19% in the case of single-phase meters and 14% in the case of poly-phase meters. The capacity utilisation was more than 100 per cent in the industry as a whole. One large unit assisted by the Corporation with a capacity of 2,00,000 meters, mostly poly-phase, faced shortage of orders and could not utilise its capacity fully.

Shortage of raw material, specially of steel strips, affected the production of bicycles which went down from 2.1 million to 1.9 million in 1971. One concern assisted by the Corporation, however, increased its production marginally. The industry continued to remain a good earner of foreign exchange.

The year 1971 was a good year for the ball and roller bearings industry which increased its installed capacity by 19% during the year. The production of bearings increased by 8.5% reaching a level of 19 million bearings in 1971. The industry enjoyed good demand for its products with the continued development of the engineering industry. The concerns assisted by the Corporation reported moderate increases in production, one of them utilising its capacity fully.

Production of caustic soda at 3.7 lakh tonnes in 1971 was marginally higher than in 1970, but fell short of domestic demand. Steps have been taken to maximise production and imports were allowed on 'actual user' basis. Production of liquid chlorine was 1.6 lakh tonnes, as compared to the installed capacity of 2.2 lakh tonnes. The concerns assisted by the Corporation in this industry enjoyed a good market for caustic soda and chlorine during the year but some of them experienced shortage of graphite electrodes.

The fertilizer industry, which is in the core sector, showed encouraging results during the year. Production of nitrogenous fertilizers increased by 15% to 9.5 lakh tonnes in 1971 representing about 63% utilisation of capacity of 1.5 million tonnes. The production of phosphatic fertilizers increased by 28% to 2.9 lakh tonnes with a 58% utilisation of capacity of 0.5 million tonnes. However, domestic production was not enough to meet

the growing demand and imports continued to be made. The utilisation of capacity was hampered by power shortage, labour troubles and inadequate supply of inputs. The demand for fertilizers is expected to show a steady growth over the years as increased irrigation facilities become available. The concerns assisted by the Corporation reported, on the average, 75 per cent capacity utilisation in the production of urea and 40-45 per cent capacity utilisation in the case of other nitrogenous fertilizers.

The production of cement increased from 14.0 million tonnes in 1970 to 14.9 million tonnes in 1971, representing an increase of 6.4% compared with less than 3% in 1970. Though the number of units engaged in cement production remained at 50, the installed capacity increased from 17.36 million tonnes in 1970 to 19.39 million tonnes in 1971. This is a welcome trend in the light of the rising demand for cement which calls for creation of additional capacity in the industry. The performance of concerns assisted by the Corporation in this industry was generally satisfactory.

The refractory industry maintained steady progress during the year. Production of refractories increased from 7.4 lakhs tonnes in 1970 to 7.8 lakh tonnes in 1971. The capacity utilisation in the industry was about 70%. The consumption pattern for refractories is changing, as there is greater demand for more sophisticated products like high grog and high alumina fire-bricks, super duty silica bricks, electrocast refractories and high quality zircon refractories.

The glass industry continued to progress in 1971 in view of the spurt in the demand for machine made glass bottles due to the increased requirements of consumer industries like milk schemes, breweries, soft drinks, etc. There was also an increase in production in other sectors of the industry like fluorescent tubes and shells for GLS lamps.

The industry would have fared better, but for the shortages of soda ash, quality, refractories and wagons. The units engaged in the production of flat products like wired and figured glass continued to face marketing difficulties. The performance of the concerns assisted by the Corporation was varied with some concerns facing market limitations. One of the concerns increased its sales by more than 10%.

The installed capacity in the paper and paper board industry increased by 1.1 lakh tonnes to 8.8 lakh tonnes in 1971. The production of 7.75 lakh tonnes of paper and paper board in 1971 fell short of the total demand, especially for printing and writing paper. To alleviate shortage of paper in the country, the Central Government initiated a crash programme in 1971 with the objective of expanding the paper capacity by about 1.30 lakh tonnes in order to augment production within a short period of 15 to 20 months. About 19 schemes of the crash programme are at various stages of implementation. Further additions to capacity in this capital intensive industry would call for establishment of new units involving large capital outlays and for programmes to increase the availability of raw material. The performance of the concerns assisted by the Corporation in this industry was satisfactory.

Rubber goods industry fared better this year and has been able to achieve self-sufficiency in respect of most items and several items are being currently exported.

The automobile tyres and tubes industry achieved high utilisation of capacity during the year with the relaxation given by the Government to the industry in respect of capacity utilisation and adequate availability of indigenous raw materials. The production of automobile

tyres and tubes in 1971 increased by 16% over the previous year. Of the three units assisted by the Corporation in this industry, one increased its sales substantially while the other two did not fare well on account of labour troubles and power failures.

The production of industrial V belts and fan belt increased by 15% during the year resulting in more than 100% utilisation of the installed capacity of these items which remained at 52.6 lakh belts. The performance of one assisted concern was, however, less satisfactory as its capacity utilisation was only 62% on account of labour troubles.

The synthetic fibre industry continued to keep on an all-round satisfactory tempo in production, despite limitations like raw material shortages. The present production of synthetic fibres, however, falls short of demand. To help overcome the disparity between demand and production, several new letters of intent/licences have been issued by the Government and expansion programmes are being pursued by some existing concerns. The performance of the concerns assisted by the Corporation was satisfactory.

The production of sugar decreased from 37.40 lakh tonnes in 1970-71 to an estimated 31.00 lakh tonnes in 1971-72. The fall in production which is about 17 per cent is mainly attributable to a shortfall in the availability of sugarcane to the mills, which is partly due to diversion of area under cane.

The Central Government took a number of measures for maximising sugar production in addition to granting a rebate in excise duty of Rs. 16 per quintal on sugar produced from 1st December, 1971 to 30th September, 1972.

The sugar co-operatives assisted by the Corporation generally fared well during the year.

As a result of the developments in Bangla Desh, the production of jute goods was maximised so as to meet the demands of overseas buyer. The year proved to be quite favourable for the jute industry. The concerns assisted by the Corporation in the jute industry shared in the general prosperity of the industry.

The cotton textile industry was suffering during the last few years from high cost of raw material and high operating costs resulting in erosion of its profitability. The National Textile Corporation and the State Textile Corporations took over the management of a number of closed units and schemes of rehabilitation are being implemented. As a result of the increase in the production of cotton, in 1971 and the subsequent fall in the prices of cotton, the profitability in the cotton textile industry has substantially improved.

Although the demand for cotton textile is expected to grow over the coming years, the future profitability of the industry will be largely dependent on the adequate availability of indigenous long staple varieties of cotton in sufficient quantities and modernisation of the mills with obsolete machinery.

RESOURCES

Share Capital

58. To augment its resources and increase its borrowing powers, the Corporation issued in June, 1972, 3,308 shares (4th series) of Rs. 5,000/- each of the total face value of Rs. 1,65,40,000/- which were fully subscribed. With this issue, the Authorised Capital of Rs. 10 crores stands fully issued and subscribed. The application money @ Rs. 2,500/- per share on the above 3,308 shares has been received, from all the subscribers and the balance of Rs. 2,500/- per share will be called up in the near future.

Bonds

59. With a view to redeeming the 4% Bonds, 1971, which were due for redemption on the 5th October, 1971 and generally to augment its resources, the Corporation placed on the market in early October, 1971, a cash-cum-conversion Issue of Bonds for Rs. 8 crores with a maturity period of 12 years. The Bonds were issued at par, and the rate of interest offered was 5½% p.a. Including the permissible 10% of the amount of the issue, the total amount of Bonds allotted was Rs. 8.80 crores, which included Rs. 2.94 crores being the face value of 4% Bonds, 1971 converted into new series. With this issue, the aggregate amount of Bonds outstanding at the end of the year was Rs. 61.00 crores.

Borrowings from the Central Government

60. As on the 30th June, 1971, loans outstanding from the Central Government stood at Rs. 77.32 crores. During the year under review, a sum of Rs. 0.09 crore was borrowed from Government under interest differential funds arising out of KFW loans, while a sum of Rs. 3.34 crores was repaid, the balance outstanding at the end of the year being Rs. 74.07 crores. As in the previous two years, no budgetary allocation of funds was made for the Corporation for the year 1971-72.

Borrowings from the Reserve Bank of India

61. As in the past, borrowings from the Reserve Bank of India were availed of for temporary periods during the year, when considered necessary. As on the 30th June, 1972, the outstandings under this head amounted to Rs. 1.68 crores, which have since been cleared.

Borrowings in Foreign Currencies

62. In December, 1971, a further loan of DM 8 million, being the tenth line of credit, was allocated to the Corporation. As at the close of the year, the total amount of West German credit made available to the Corporation, including the above line of credit, amounted to DM 120.50 millions, against which the Corporation had sanctioned sub-loans to the extent of DM

114.50 million. DM lines of credit, which are now fully convertible, can be utilised for the import of capital goods, engineering know how and services, etc., from countries such as USA, UK, Italy, France, Norway, Sweden, Denmark, Japan, etc., in addition to West Germany, except certain countries specifically named.

Documentation in connection with a further allocation of UK Credit to the extent of £ 1 million under UK/India Capital Investment Loan, 1971 was completed in September, 1971. With this allocation, the total amount of UK Credit made available to the Corporation by the Government of India amounted to £ 2 million against which sub-loans for an aggregate amount of £ 1.27 million have been sanctioned upto the end of the year. This will enable the Corporation to finance the import of capital goods from UK by eligible industrial concerns.

The total value of the French credit available to the Corporation from Banque Francaise du Commerce Extérieur, Paris, amounted to FF 15 million and sub-loans sanctioned there against totalled FF 13.01 million.

Sources from which Assistance given has been financed

63. Disbursements on loans and amounts paid on shares and debentures, upto the 30th June, 1972, aggregated Rs. 289.77 crores. This amount was financed from the following sources :

	(Rs. Crores)
Paid-up Capital	9.17
Reserves	16.02
Borrowings from the market by Issue of Bonds	61.00
Borrowings from the Central Government	74.07
Borrowings from the Reserve Bank of India	1.68
Foreign credits	38.42
Repayment of rupee loans, sale of investments, etc.	89.41
Total :	289.77

SOURCES AND USES OF FUNDS FOR THE PAST THREE YEARS

(Rs. Crores)

	1969-70	1970-71	1971-72
A. SOURCES OF FUNDS :			
<i>Internal Resources</i>			
1. Opening cash and bank balances	8.42	6.89	9.18
2. Gross profit for the year	4.33	4.47	4.84
3. Repayment of loans by borrowers—			
(a) Rupee loans	10.34	9.48	10.87
(b) Foreign currency loans	1.97	2.46	2.59
4. Sale of investments in Government securities	1.30	2.01	—
5. Redemption of debentures/preference shares	0.01	0.70	0.33
6. Sale of investments	0.10	0.16	1.74
7. Recoveries in respect of obligations met under guarantees	0.04	—	0.07
8. Issue of shares—application money	—	—	0.83
Sub-total :	26.51	26.17	30.45
<i>Borrowings</i>			
9. Borrowings from the market by the issue of bonds	5.50	4.95	8.80
10. Borrowings from foreign credit institutions	1.69	3.10	2.95
11. Net borrowings from the Reserve Bank of India	—	1.24	1.68
12. Borrowings from the Central Government	—	—	0.09
Sub-total :	7.19	9.29	13.52
Total :	33.70	35.46	43.97

B. USES OF FUNDS*Assistance to Industrial Concerns*

1. Disbursement of assistance by way of —

(a) Loans—

(i) Rupee loans

(ii) Foreign currency loans

(b) Subscription to shares/debentures of industrial concerns in pursuance of underwriting obligations

(c) Direct subscriptions

(d) Obligations under guarantees met by the Corporation

	15.01	13.16	17.85
	1.69	3.10	2.95
	0.82	0.73	0.56
	0.03	0.14	1.72
	0.16	0.02	0.19
Sub-total	17.71	17.15	23.27

Payment to Government

2. Payment of loans

3. Provision for taxation

	1.77	2.29	3.34
	2.37	2.37	2.17
Sub-total	4.14	4.66	5.51

Other Uses

4. Repayment of loans from the Reserve Bank of India

5. Repayment of loans from foreign credit institutions

6. Redemption of bonds

7. Dividend

8. Investment in Government securities

9. Others

10. Closing cash and bank balances

	<u>2.09</u>	<u>2.26</u>	1.24
			2.40
	<u>0.25</u>	<u>0.42</u>	5.49
	2.51		0.42
	<u>0.11</u>	<u>1.79</u>	
	6.89	9.18	3.18
			2.46
Sub-total	<hr/> 11.85	<hr/> 13.65	<hr/> 15.19
Total	<hr/> 33.70	<hr/> 35.46	<hr/> 43.97

Progress of Repayments

64. Tables 11 and 12 show the amounts which were due by way of interest on loans and instalments of principal and the amounts that were realised during each of the last five years. They also show the amounts in default

at the end of each of those years. The interest in default of Rs. 598.40 lakhs and the principal in default of Rs. 637.06 lakhs as on the 30th June, 1972, amounted to 3.61% and 3.84% respectively of the total outstanding loans of Rs. 165.65 crores in respect of rupee and foreign currency loans.

TABLE 11

Interest

(Rs. Lakhs)

Year ended the 30th June	Loans out- standing at the beginning of the year	Arrears of interest out- standing at the beginning of the year	Amount of interest due during the year	Total of columns 3 & 4	Amount of interest re- ceived during the year	Defaults of interest at the end of the year*
1	2	3	4	5	6	7
1968	12120.37	116.82	940.19	1057.01	830.57	202.81
1969	13553.04	202.81	1026.64	1229.45	917.78	311.67
1970	14207.50	311.67	1084.89	1396.56	1023.84	372.72
1971	14998.54	372.72	1161.08	1533.80	983.05	550.75
1972	16565.11	550.75	1165.96	1716.71	1081.15	598.40

*Excluding amounts for which extension of time was granted. Technically, such cases are not treated as defaults.

TABLE 12

Principal

(Rs. Lakhs)

Year ended the 30th June	Loans out- standing at the beginning of the year*	Arrears of principal out- standing at the beginning of the year	Amount of principal due during the year	Total of columns 3 & 4	Amount of principal received during the year	Defaults of principal outstanding at the end of the year**
1	2	3	4	5	6	7
1968	12120.37	80.02	928.16	1008.18	801.11	149.32
1969	13553.04	149.32	944.90	1094.22	811.99	256.51
1970	14207.50	256.51	1163.86	1420.37	1004.24	313.21
1971	14998.54	313.21	1354.43	1667.64	1151.66	498.03
1972	16565.11	498.03	1531.34	2029.37	1287.39	637.06

*Excluding amounts due on account of defaulted deferred payment instalments guaranteed and met by the Corporation and interest due thereon which are shown separately in table 14.

**Excluding amounts for which extension of time was granted. Technically, such cases are not treated as defaults.

65. The industry-wise break-up of defaults, as on the 30th June, 1972 alongwith the comparative figures for the previous year is given in the following table :—

TABLE 13

(Rs. Lakhs)

Industry	Defaults as on the 30-6-1971			Defaults as on the 30-6-1972		
	No. of concerns	Principal	Interest	No. of concerns	Principal	Interest
Sugar	7	39.00	82.05	4	38.38	75.53
Cotton Textile	21	180.33	186.88	19	211.74	180.12
Jute	—	—	—	1	—	1.94
Wood & Cork	1	75.00	23.09	1	92.48	31.81
Paper	3	15.65	87.86	3	18.10	64.12
Rubber Products	2	1.53	5.97	3	13.59	17.04
Basic Industrial Chemicals	2	19.73	22.53	2	25.40	24.93
Misc. Chemicals	2	23.06	12.16	4	44.84	26.46
Vegetable & Animal Oil & Fats	—	—	—	1	—	1.11
Glass	2	3.92	1.24	2	6.31	4.05
Ceramics & Refractories	5	54.48	62.30	4	66.79	68.78
Metal Products	10	15.17	19.53	11	22.35	31.34
Machinery	5	31.85	10.57	7	48.68	18.21
Electrical Machinery & Appliances	2	19.23	22.30	2	5.35	20.29
Misc. Mfg. Industries	2	8.63	1.06	2	12.15	0.93
Motor Vehicles & Ancillaries	1	5.30	8.88	1	9.90	16.84
Bicycles	1	2.00	—	1	13.25	5.68
Mining & Quarrying-Coal	—	—	—	1	2.50	2.11
Hotels	1	3.15	4.33	1	5.25	7.11
Total	67	498.03	550.75	70	637.06	598.40

The number of cotton textile concerns in default went down from 21 to 19 during the year. The amount in default recorded a further increase because most of the concerns, which were in default during the previous year, were again unable to meet their commitments during the current year. As a result of the unfavourable conditions prevailing in the cotton textile industry, these concerns failed to improve their performance. It is well-known that profitability in the cotton textile industry in the country during the past few years had been adversely affected by a steep rise in the cost of the raw materials and manufacturing costs without a commensurate increase in the sales realisation. Since November/December, 1971, the availability of cotton has improved considerably and most of the projects have started looking up. Apart from other difficulties such as over-runs in the project cost due to delays in implementation, shortage of working capital, inefficient management and labour troubles, operations of some of the projects were affected by lack of adequate and regular power supply. Necessary reliefs were granted to some of the concerns by way of merger of overdue interest with principal and rescheduling of instalments. At the same time, follow-up action was intensified in the form of more frequent inspections and discussions with the promoters and exchange of views with other financial institutions and commercial banks in order to have a better appreciation of the deficiencies or difficulties of these concerns. Under the Industries (Development and Regulations) Act, 1951, the Central Government has taken over five sick mills assisted by the Corporation and their management has been entrusted to National Textile Corporation Ltd., as authorised controllers. In a few cases, recourse to legal proceedings had to be taken against some of the concerns and the guarantors in order to safeguard the interest of the Corporation.

The number of defaulting concerns in the sugar industry went down from 7 to 4 and there was also a reduction in the interest and principal in default,

4-479G1/72

The profitability in the paper industry as a whole continued to be satisfactory. Some of the concerns assisted by the Corporation however, continued to be in default for reasons peculiar to the projects. Reference was made in the last year's Report to efforts being made for the rehabilitation of one of the projects in which the Corporation has a large stake. The concern approached the all-India term lending institutions for financial assistance for implementing a scheme of expansion, which has since been sanctioned. In another case, legal action has resulted in an order for the sale of mortgaged properties by the concerned Court and further steps are being taken for realisation of the Corporation's dues by sale of the mortgaged assets.

Ceramics and refractories continued to improve their position during the year as a result of the rising tempo of demand from steel and other industries. Though the projects assisted by the Corporation also recorded certain improvement in their working results, some of them failed to clear the arrears of instalments of interest and principal. In one case, it would take quite some time before the undertaking could be regarded to have recovered completely from the effects of the past recession and unsatisfactory working. In another case, the company is under liquidation. The Central Government, by an Act of the Parliament, has taken over the undertaking and the Corporation has lodged its claim as a secured creditor for the amount of compensation deposited/to be deposited by the Central Government with the Court.

The concern engaged in the manufacture of hard board to which reference was made in the last year's Report, continued to be in default during the year, though it recorded some improvement in its sales, both domestic and export. The company continued to experience difficulties in marketing its products due, *inter-alia*, to transport difficulties. To enable the company to retrieve its position, the Corporation has decided to grant certain temporary relief to it,

The position of defaults in engineering industry continued to be unsatisfactory during the year; the number of defaulting concerns having increased from 21 to 24. Shortage of raw materials particularly steel and other components, labour troubles, high cost of production in general and weak management in some cases coupled with paucity of working capital, constitute mainly the factors responsible for this unsatisfactory position.

In the previous Report, it was stated that inspite of revival in the engineering industry, some of the assisted concerns engaged in the manufacture of machinery, machine tools, steel structurals, small tools etc., were still to show satisfactory operations. Some of these projects continue to struggle and have yet to breakeven.

During the year, some of these projects were granted additional financial assistance, in participation with other financial institutions, along with reliefs by rescheduling the loans including merger of overdue interest, accompanied by appropriate discipline and measures for strengthening

of management as part of the over-all schemes of their rehabilitation. As a result of concerted efforts along with other financial institutions, a change in management of one concern was successfully brought about; the concern can now be expected to turn the corner in due course. In the case of yet another concern in West Bengal, the Corporation collaborated with the Industrial Reconstruction Corporation of India Ltd., for re-opening of the factory by conceding a *pari-passu* charge on its fixed assets and also by giving other appropriate reliefs by way of postponement/rescheduling of loans.

The projects in default are constantly under review and necessary steps are being taken towards their rehabilitation and for the realisation of the Corporations' dues by taking legal action in suitable cases.

66. The position of defaults in the payment of instalments of deferred payments guaranteed and met by the Corporation and interest and other charges due thereon for the last five years are shown in Table 14.

TABLE 14
Defaults in the payment of instalments of deferred payments guaranteed and met by the Corporation and interest, etc., due thereon

(Rs. Lakhs)

Year ended the 30th June	Amount of arrears due at the beginning of the year	Defaults during the year	Total columns 2 & 3	Recoveries during the year	Amount of arrears outstanding at the end of the year
(1)	(2)	(3)	(4)	(5)	(6)
1968	335.11	80.41	415.52	0.47	415.05
1969	415.05	116.27	531.32	3.89	527.43
1970	527.43	52.24	579.67	285.83*	293.84
1971	294.84	25.71	319.55	2.72	316.83
1972	316.83	32.10	348.93	112.22**	236.71

*This amount included instalments in defaults aggregating Rs. 279.44 lakhs, which have been converted into new loans and for which extension of time was granted.

**This amount included instalments in default aggregating to Rs. 30.17 lakhs for which extension of time was granted.

Distribution of Shares

67. There has been no change in the distribution of shares (First to Third Series) of the Corporation held by the various categories of shareholders during the year under report. As already stated, the Corporation issued in June 1972, 3308 shares (Fourth Series) which were offered to the various categories of shareholders in proportion to the shares held by each category at the time of issue. The issue was subscribed in full by each category of shareholders.

ACCOUNTS

PROFIT AND LOSS STATEMENT FOR THE YEAR (Rs. Lakhs)

	This year	Previous year
68. The year's working shows a gross income of	1498.12	1345.95
After deducting from gross income :—		
Interest paid on bonds and other borrowings	847.84	820.34
Other expenses and loss on sale of investments	166.70	78.35
And after providing for :—		
Depreciation in the value of investments	48.00	—
Taxation	216.83	237.00
The net profit for the year is :—	218.75	210.26

The net profit of Rs. 218.75 lakhs has been appropriated as under:—

(i) Transfer to General Reserve Fund	82.70	74.54
(ii) Transfer to Special Reserve Fund [Under Section 36(i) (viii) of the Income-Tax Act, 1961]	44.00	50.00
(iii) Transfer to Reserve for Doubtful Debts	49.18	42.99
(iv) Transfer to Staff Welfare Fund	1.00	1.00
(v) Payment of Dividend @5% on the paid-up share capital of Rs. 9.17 crores for the year	41.87	41.73
	218.75	210.26

The distribution of shares as on the 30th June, 1972 was as under :—

	Number of shares held	Percentage of the total
Industrial Development Bank of India	10,000	50
Scheduled Banks	4,067	20
Insurance Concerns, etc.	4,314	22
Co-operative Banks	1,619	8
	20,000	100

General Reserve Fund

69. A sum of Rs. 82.70 lakhs has been transferred out of the current years' profits to the General Reserve Fund which now stands at Rs. 917.30 lakhs.

In addition to the General Reserve Fund, there are the following Special Reserve Funds aggregating Rs. 479.78 lakhs.

	(Rs. Lakhs)
(i) Special Reserve Fund under Section 32A of the Industrial Finance Corporation Act	100.00
(ii) Special Reserve Fund under Section 36(1) (viii) of the Income-tax Act, 1961	379.78
	<u>479.78</u>

The General and Special Reserve Funds aggregate Rs. 1397.08 lakhs.

There is, in addition, a Reserve for Doubtful Debts amounting to Rs. 203.00 lakhs. The sum total of the Reserve held by the Corporation adds upto Rs. 1602.08 lakhs, which exceeds the paid-up capital by Rs. 684.78 lakhs.

Special Reserve Fund under Section 36(1)(viii) of the Income-tax Act, 1961

70. A sum of Rs. 44.00 lakhs has been transferred from the profits of the current year on the basis of 10% of the

assessable income as Special Reserve Fund under Section 36(1)(viii) of the Income-tax Act, 1961. This raises the balance of the credit of the fund to Rs. 379.78 lakhs.

Reserve for Doubtful Debts

71. A review of the loan accounts as at the end of the year shows a satisfactory position. In view, however, of the large size of the operation of the Corporation, and the fact that scheme for rehabilitation of certain projects may take time to mature, the Directors have decided, as a measure of prudence, to transfer an amount of Rs. 49.18 lakhs to the Reserve for Doubtful Debts from the profits of the year under report.

Provision for Income-tax

72. As the assessment proceedings in respect of tax payable by the Corporation for the accounting year ended the 30th June, 1971 (assessment year 1972-73) were not finalised by the close of the annual accounts, no adjustments in respect thereof have been made in the year's accounts. In respect of the accounting year ended the 30th Jun, 1972, a sum of Rs. 216.83 lakhs has been provided in the accounts for taxation.

Working Results for the last five years

73. A summary of the profit and loss account of the Corporation for the last five years is given in the following table :—

TABLE 15

(Rs. Lakhs)

	For the year ended the 30th June				
	1968	1969	1970	1971	1972
Interest earned	1009.90	1086.78	1200.34	1257.84	1383.31
Other income	71.24	107.03	81.23	88.11	114.81
Total income :	1081.14	1193.81	1281.57	1345.95	1498.12
Interest paid	670.63	739.24	793.56	820.34	847.84
Discount and brokerage on bonds	16.97	17.87	1.37	1.17	3.26
Establishment expenses, inclusive of medical fees and expenses and interest on employees' provident fund	23.49	29.35	35.03	48.24	61.33
Donation to national defence fund	—	—	—	—	5.00
Other expenses and losses on sale of investments	13.63	15.24	18.79	28.94	97.11
Total expenditure :	724.72	801.70	848.75	898.69	1014.54
Gross profit :	356.42	392.11	432.82	447.26	483.58
Provision for depreciation in the value of investments	—	—	—	—	48.00
Provision for taxation	198.25	221.79	237.00	237.00	216.83
Net profit :	158.17	170.32	195.82	210.26	218.75
To reserves	133.54	145.69	171.19	168.53	176.88
To dividend	24.63	24.63	24.63	41.73	41.87

The total income of the Corporation for the year under report amounted to Rs. 1498.12 lakhs as against Rs. 1345.95 lakhs in the previous year.

As a part of the scheme for the rehabilitation of Ashok Paper Mills Ltd., in which the Corporation has a large financial stake, the Corporation converted arrears of interest to the extent of Rs. 96 lakhs into the equity capital of the Company and the shares of the face value of Rs. 66 lakhs out of the above were sold to the Assam Government at 15% of the face value which resulted in a loss of Rs. 56.10 lakhs to the Corporation. This accounts for the major portion of the increase under "other expenses and losses in sale of investments".

The gross profit increased from Rs. 447.26 lakhs to Rs. 483.58 lakhs. After providing Rs. 48.00 lakhs for depreciation in the value of investments and Rs. 216.83 lakhs for taxation, the net profit increased from Rs. 210.26 lakhs to Rs. 218.75 lakhs. The appropriations to reserves amounted to Rs. 176.88 lakhs compared with Rs. 168.53 lakhs last year.

With the transfer of Rs. 82.70 lakhs to the General Reserve Fund out of profits for the year, the Fund became equal to the paid-up share capital of the Corporation as on the 30th June, 1972. In view of this, as permissible under Section 32 of the IFC Act, the Corporation has declared a dividend of 5% on the paid-up capital in res-

pect of the year ended the 30th June, 1972, which is the maximum permissible dividend under the IFC Act. 3308 (Fourth Series) shares of the total paid-up value of Rs. 82.70 lakhs issued in June, 1972 will rank for dividend only from the 19th June, 1972 as per the terms of issue.

Schedule attached to the Balance Sheet

74. The Schedule attached to the Balance Sheet gives particulars in respect of loans and advances outstanding as on the 30th June, 1972.

(i) Debts secured only by court-decrees.

The outstanding amount which aggregated Rs. 6.82 lakhs (Item 'e') was due from two concerns.

(ii) Interest of directors in loanee concerns.

A statement showing an analysis of the figures shown against item (f) of the Schedule is given in Appendix G.

There was no concern (*vide* Section 'A' of the statement) in which any director of the Corporation had interest as a nominee director of a State Government or of a Co-operative Bank or of a Registrar of Co-operative Societies.

Of the loans aggregating Rs. 2086.13 lakhs due from concerns in which some of the Corporations' directors were interested as share-holders only, loans for Rs. 1683.31 lakhs were sanctioned prior to the dates on which the concerned directors became directors of the Corporation or acquired interest in the loanee concerns. Debts due from concerns in which the directors of the Corporation were interested as directors and which were sanctioned financial assistance after they became directors of the Corporation aggregated Rs. 61.09 lakhs, constituting about 0.4% of the total outstanding loans of Rs. 168.49 crores (*vide* Section 'C' of the statement).

Out of the overdue amounts of instalments of principal and interest totalling Rs. 1472.17 lakhs, a sum of Rs. 124.29 lakhs relates to a concern in which a director of the Corporation was interested as a shareholder.

Instructions on Questions of Policy given by the Industrial Development Bank of India under Section 6(3) of the IFC Act, 1948

75. An up-to-date list of the directives issued by the Industrial Development Bank of India to the Corporation on questions of policy is shown at Appendix K.

Meetings of the Board and other Committees

76. Twelve meetings of the Board were held during the year, six in New Delhi, one each at Bangalore, Bhubaneswar, Calcutta, Lucknow, Simla and Trivandrum.

Five meetings of other Committees of the Board were also held during the year.

Advisory Committees

77. The number of meetings of the various Advisory Committees held during the year is as follows :

<i>Name of the Advisory Committee</i>	<i>Number of meetings held.</i>
Chemical Process & Allied Industries	11
Engineering	9
Sugar	8
Textiles	3
Jute	1

These meetings considered applications for various types of financial assistance from 53 concerns.

The Corporation continued to maintain a panel of technical experts and consultants for various industries to have the benefit of their special expertise and to co-opt them where necessary, on the appropriate Committees as members depending upon the needs of the occasions, the complexity and nature of the case to be considered and the field of specialisation of the expert concerned.

Board of Directors

78. At the Annual General Meeting of the Corporation held on the 27th September, 1971, Shri C. P. Shah was elected a Director, under Section 10(1)(c) of the IFC Act, 1948, to represent schedule banks, *vice* Shri N. Ramanand Rao who retired. At the same meeting under Section 10(1)(d) of the said Act, Shri B. C. Randeria was elected a Director to represent insurance concerns, investment trusts and other like financial institutions *vice* Shri N. V. Nayudu who retired, and under Section 10(1)(e) of the said Act, Shri Vasantrao B. Patil was elected a Director to represent co-operative banks *vice* Shri P. S. Rajagopal Naidu, who retired after serving two full consecutive terms of four years each. On the 27th March, 1972, Shri Vasantaro B. Patil tendered his resignation from the directorship of the Corporation consequent upon his assumption of office as Minister for Power & Irrigation in the Government of Maharashtra. His place was filled by Dr. W. C. Shrishrimal, Managing Director, Maharashtra State Co-operative Bank Ltd., Bombay, who was elected by the co-operative banks at the Special General Meeting of the Corporation held on the 17th June, 1972.

The Board place on record their appreciation of the valuable services rendered by Shri N. Ramanand Rao, Shri N. V. Nayudu, Shri P. S. Rajagopal Naidu and Shri Vasantrao B. Patil.

Management Development Institute

79. The Corporation sponsored the Management Development Institute which was registered under the Societies Registration Act, 1860 on the 17th May, 1972. The Institute is intended to provide training in modern management techniques to the clients of the Corporation, particularly to new entrepreneurs and technologists who, for the first time, promote an industrial project with financial assistance from the Corporation. It has been the experience of the Corporation that finance alone cannot ensure the success of an industrial project. The quality of management, executive, financial and technical, is of crucial importance for the success of an industrial venture.

With the current accent on professional management and the emergence of a new class of entrepreneurs at the middle level, including technologists entering the industrial field, there is an imperative need for an organisation with proper resources and staff to provide management training to new entrepreneurs and technologists, who do not have previous industrial experience or do not belong to or are associated with any large industrial house. The Corporation also felt that an institute of the kind envisaged, would be more useful if it would be sponsored and guided by a financial institution like the Corporation, which has accumulated experience over the last 24 years in the financing of large and medium-sized industrial projects, has enough case material for study and research and is familiar with the kind of problems which the new entrepreneurs are likely to run into while planning implementing and operating an industrial undertaking.

Apart from imparting training in modern management techniques to the Corporation's clients, it is also proposed that the Institute would impart training to the staff of the Corporation at all levels as also to the staff of the term-lending financial institutions at the State and all-India levels in development banking.

The Institute would be financed out of interest differential funds placed at the disposal of the Corporation by the Central Government as grants arising out of the various lines of credit in DM sanctioned to the Corporation by the Kreditanstalt Fur Wiederaufbau (KFW), Frankfurt, West Germany. The funds at the disposal of the Institute would also be supplemented with grants from the Corporation. As the Institute is intended to be of service to the clients of the Corporation as also to various term-lending institutions at State and all-India levels, it will be a non-profit organisation.

Conference of Sugar Co-operatives

80. With the increasing participation of the Corporation in the financing of sugar co-operatives, the question of promoting amongst them, a better understanding and appreciation of the criteria, policies and practices followed by the Corporation in the matter of rendering financial assistance was considered and it was felt that this objective could be best achieved by holding a conference of the assisted sugar co-operatives. Accordingly, such a conference was held on April 2, 1972. Apart from the representatives of the sugar co-operatives, it was attended by the representatives of the various State Governments, the National Co-operative Development Corporation, the Life Insurance Corporation of India, the Reserve Bank of India, the Industrial Development Bank of India, the Industrial Credit & Investment Corporation of India, etc. The conference proved to be useful forum for a free exchange of views between the Corporation, the sugar co-operatives and the other interests concerned.

Offices of the Corporation

81. Three new offices of the Corporation started functioning at Hyderabad, Bhubaneswar and Bangalore with effect from the 19th November 1971, 8th April, 1972 and 25th May, 1972. Since the close of the year two more offices at Kanpur and Patna have been opened bringing the total number of offices of the Corporation to eleven.

National Defence Fund

82. The Corporation contributed a sum of Rs. 5 lakhs to the National Defence Fund in January, 1972.

Changes in Senior Management

83. Consequent on Shri L. Sitaraman, Deputy General Manager, proceeding on leave preparatory to retirement, the Board appointed Shri S. N. Pai, Assistant General Manager, as the Deputy General Manager of the Corporation, with effect from the 24th March, 1972. Shri R. B. Mathur, Chief Accountant, and Shri M. S. Nagratha, Manager, were appointed as Assistant General Manager and Chief Accountant respectively, with effect from the 26th June, 1972.

Auditors

84. M/s. Walker Chandiok & Company, New Delhi, were appointed by the Industrial Development Bank of India as Auditors of the Corporation for the year ended the 30th June, 1972. At the Annual General Meeting of the shareholders of the Corporation, held on the 27th September, 1971, M/s. Haribhakti & Company, Bombay, were elected Auditors by the shareholders, other than the Industrial Development Bank of India, for the same period. M/s. Haribhakti & Company will retire at the end of the year but are eligible for re-election.

Acknowledgement of Assistance Received

85. The Board wish to place on record their appreciation of the co-operation and assistance received from the various Ministries and Departments of the Government of India and the all-India financial institution. The Board are grateful to the members, who have served on the various Advisory Committees of the Corporation, for their valuable assistance and advice, and also to the non-officials, who have served as the Corporation's nominees on the Boards of Directors of the various assisted concerns. The Board also wish to express their appreciation for the loyal and devoted service put in by the officers and staff of the Corporation during the year.

On behalf of the Directors.
C. D. KHANNA
Chairman.

INDUSTRIAL FINANCE

NEW

Balance Sheet, as at

Previous year	Capital and Liabilities	This year
Rs.	Rs.	Rs.
	1. CAPITAL :	
	Authorised, Issued & Subscribed:	
10,00,00,000	20,000 shares of Rs. 5000 each.	10,00,00,000
	Paid-up :	
	10,000 shares of Rs. 5,000 each fully paid-up. (Guaranteed by Government of India as to the repayment of principal and payment of minimum annual dividend at 2½% under Section 5 of the Industrial Finance Corporation Act).	5,00,00,000
5,00,00,000		
	4,000 (Second Series) shares of Rs. 5,000 each fully paid-up. (Guaranteed by Government of India as to the repayment of principal and payment of minimum annual dividend at 4% under Section 5 of the Industrial Finance Corporation Act).	2,00,00,000
2,00,00,000		
	2,692 (Third Series) shares of Rs. 5,000 each fully paid-up. (Guaranteed by Government of India as to the repayment of principal and payment of minimum annual dividend at 4% under Section 5 of the Industrial Finance Corporation Act).	1,34,60,000
1,34,60,000		
	3,308 (Fourth Series) shares of Rs. 5,000 each, Rs. 2,500 per share paid-up (Guaranteed by Govt. of India as to the repayment of principal and payment of minimum annual dividend at 4½% under Section 5 of the Industrial Finance Corporation Act).	82,70,000
—		9,17,30,000
8,34,60,000		
	2. RESERVES AND RESERVE FUND :	
	(i) General Reserve Fund (under Section 32).	
7,60,05,737	Balance as per last Balance Sheet.	8,34,60,000
74,54,263	Transferred from Profit & Loss Account.	82,70,000
8,34,60,000		9,17,30,000
	(ii) Special Reserve Fund (under Section 32A).	
1,00,00,000	Balance as per last Balance Sheet.	1,00,00,000
	(iii) Special Reserve Fund (under Section 36 (1) (viii) of the Income-Tax Act 1961).	
2,85,78,362	Balance as per last Balance Sheet.	3,35,78,362
4,50,00,000	Transferred from Profit & Loss Account.	44,00,000
3,35,78,362		3,79,78,362
12,70,38,362		
8,34,60,000	Carried over	13,97,08,362
		9,17,30,000

CORPORATION OF INDIA

DELHI

30th June, 1972

Previous Year	Property and Assets	This Year
Rs.	Rs.	Rs.
1. CASH AND BANK BALANCES :		
38,769	(i) In hand at Head Office and at Branches.	19,541
	(ii) With Banks (under Section 19).	
49,15,209	(a) Reserve Bank of India.	52,79,952
8,42,86,407	(b) Scheduled Banks	1,87,85,363
26,00,000	(c) State Co-operative Banks	5,00,000
8,811	(d) Outside India	15,444
9,18,10,427		2,45,79,759
9,18,49,196		2,45,99,300
2. INVESTMENTS AT COST :		
(i) Under Section 20.		
—	(a) Securities of the Govt. of India.	—
—	(b) Securities of the State Government.	—
21,00,000	(c) Initial Capital of Unit Trust of India.	21,00,000
21,00,000		21,00,000
(ii) Under Sec. 23 (1) (f)		
94,80,693	(a) Shares.	2,09,37,935
8,75,000	(b) Application money paid on shares.	—
1,03,55,693		2,09,37,935
(iii) Under Sec. 23 (1) (h)		
—	(a) Stocks.	—
10,85,49,285	(b) Shares.	10,06,87,690
2,17,750	(c) Application money paid on shares & debentures.	61,500
—	(d) Bonds.	—
4,73,14,600	(e) Debentures.	4,67,64,600
15,60,81,635		14,75,13,790
1,37,35,000		1,36,35,000
18,22,72,328	(iv) Under Sec. 23 (1) (i) Debentures.	18,42,86,725
Rs. 13,11,82,740 (Quoted) Rs. 12,56,92,349 Market value Rs. 5,31,03,985 unquoted (at par)		
3. LOANS AND ADVANCES :		
1,59,41,19,564	Total loans outstanding (as per schedule annexed)	1,68,49,26,292
1,86,82,41,088	Carried over	1,89,38,12,317

BALANCE

Previous year	Capital and Liabilities	This year
Rs.		Rs.
8,34,60,000	Brought Forward	9,17,30,000
12,70,38,362	RESERVES AND RESERVE FUND (<i>Contd.</i>)	13,97,08,362
	(iv) Staff welfare fund.	
—	Balance as per last Balance Sheet.	1,00,000
1,00,000	Transferred from Profit & Loss Account	1,00,000
1,00,000		2,00,000
12,71,38,362		13,99,08,362
	3. RESERVE FOR DOUBTFUL DEBTS.	
1,19,45,478	Balance as per last Balance Sheet.	1,53,81,634
8,63,019	LESS : Bad debts written off.	—
1,10,82,459		1,53,81,634
42,99,175	Transferred from Profit & Loss Account	49,18,366
1,53,81,634		2,03,00,000
	4. AMOUNTS HELD IN SUSPENSE.	
2,91,68,158	(i) Interest held in Suspense.	2,43,84,792
4,33,270	(ii) Commitment charges held in Suspense.	4,33,270
38,681	(iii) Incidental Charge held in Suspense.	57,516
4,20,572	(iv) Guarantee Commission held in Suspense.	—
3,00,60,681		2,48,75,578
—	5. PROVISION FOR DEPRECIATION IN THE VALUE OF INVESTMENTS.	48,00,000
	6. PROVISION FOR TAXATION.	
4,56,78,698	Balance as per last Balance Sheet.	4,77,86,971
2,37,00,000	ADD : Provision for the year.	2,16,83,364
6,93,78,698		6,94,70,335
2,15,91,727	LESS : Adjustments during the year (net).	2,35,42,857
4,77,86,971		4,59,27,478
61,40,537	LESS : Tax deducted at source.	55,03,279
2,38,12,581	Advance tax paid.	2,72,39,262
2,99,53,118		3,27,42,541
1,78,33,853		1,31,84,937
27,38,74,530	Carried over	29,47,98,877

SHEET (Contd.)

Previous Year	Property and Assets	This Year		
Rs.		Rs.	Rs.	Rs.
1,86,82,41,088	Brought Forward			1,89,38,12,317
4. SUB-BORROWERS COMMITMENT TO- WARDS DEFERRED FRENCH CREDIT ON ACCOUNT OF PRINCIPAL AMOUNT : .				1,05,16,015
1,08,16,648				
5. DIVIDEND DEFICIT ACCOUNT : . . .				
— Balance as per last Balance Sheet.			—	
— LESS: Balance of Profit transferred from Profit & Loss Account.			—	
—				—
6. PREMISES AT COST : . . .				
— Balance as per last Balance Sheet.			—	
— Additions during the year.			—	
—				—
— LESS: Depreciation upto last year.		—		
— Depreciation for the year.		—		
—				—
7. MOTOR CARS, CYCLES, FURNITURE, FIXTURES, FITTINGS, ETC. AT COST.				
8,63,576 Balance as per last Balance Sheet.			13,53,720	
4,96,869 Additions during the year.			6,04,219	
13,60,445			19,57,939	
6,725 LESS: Cost of assets sold/discarded.			59,883	
13,53,720			18,98,056	
3,54,367 LESS: Depreciation upto last year.		4,64,998		
1,13,870 Depreciation of the year.		1,83,024		
4,68,237		6,48,022		
3,239 DEDUCT: Depreciation on assets sold/discarded.		36,927		
4,64,998			6,11,095	
8,88,722				12,86,961
1,87,99,46,458	Carried over			1,90,56,15,293

BALANCE

Previous year	Capital and Liabilities	This year
Rs.	Rs.	Rs.
27,38,74,530	Brought Forward	29,47,98,877
7. BONDS AND DEBENTURES. (UNSECURED)		
5,48,86,900	(i) 4% Bonds redeemable in 1971. (Guaranteed by the Government of India under Section 21).	—
6,00,33,100	(ii) 4½% Bonds redeemable in 1974. (Guaranteed by the Government of India under Section 21).	6,00,33,100
4,45,50,000	(iii) 4½% Conversion Bonds redeemable in 1976. (Guaranteed by the Government of India under Section 21).	4,45,50,000
6,58,48,100	(iv) 4½% Bonds redeemable in 1976. (Guaranteed by the Government of India under Section 21).	6,58,48,100
2,00,00,000	(v) 5½% Bonds redeemable in 1977. (Guaranteed by the Government of India under Section 21).	2,00,00,000
6,12,90,000	(vi) 5½% Bonds redeemable in 1978. Guaranteed by the Government of India under Section 21).	6,12,90,000
8,24,86,700	(vii) 5½% Bonds redeemable in 1979. (Guaranteed by the Government of India under Section 21).	8,24,86,700
8,33,30,800	(viii) 5½% Bonds redeemable in 1980. (Guaranteed by the Government of India under Section 21).	8,33,30,800
5,50,00,000	(ix) 5½% Bonds redeemable in 1981. (Guaranteed by the Government of India under Section 21).	5,50,00,000
4,95,00,000	(x) 5½% Bonds redeemable in 1982. (Guaranteed by the Government of India under Section 21).	4,95,00,000
—	(xi) 5½% Bonds redeemable in 1983. (Guaranteed by the Government of India under Section 21).	8,80,08,800
—	(xii) % Debentures redeemable in (Guaranteed by the Government of India under Section 21).	—
57,69,25,600		61,00,47,500
8. FIXED DEPOSITS:		
—	(under Section 22).	—
9. BORROWINGS:		
(i) From Reserve Bank of India:—		
—	(a) Secured by pledge of Government securities of the face value of Rs. [under Section 21 (3) (a)]	—
1,24,10,000	(b) Secured by Bonds and Debentures issued by the Corporation of the face value of Rs. 3.25 crores [under Section 21 (3) (b)]	1,68,00,000
1,24,10,000		1,68,00,000
—	(ii) From Industrial Development Bank of India [under Section 21(4)]	—
77,32,05,415	(iii) From Government of India [under Section 21 (4)]	73,98,12,817
78,56,15,415		
86,08,00,130	Carried over	75,66,12,817
		90,48,46,377

SHEET (Contd.)

Previous Year	Property and assets		This Year	
Rs.		Rs.	Rs.	Rs.
1,87,99,46,458	Brought Forward			1,90,56,15,293
	8. OTHER ASSETS :			
	Interest Accrued :—			
1,42,76,886	(i) On loans and advances	1,72,74,893		
15,47,802	(ii) On debentures	15,27,459		
20,05,095	(iii) On deposits with banks	4,75,802		
68,871	(iv) On advances to staff	1,19,950		
288	(v) On rental deposits	290		
1,78,98,942			1,93,98,394	
8,46,232	Commitment and other charges accrued, Commitment and other charges accrued on Foreign Currency		8,94,748	
—	Loans availed		—	
42,82,422	Sundry Debtors		91,61,416	
7,70,395	Advances to staff		13,48,315	
95,673	Stocks of stationery		94,981	
72,019	Telephone Deposits		65,469	
	Cheques lodged for collection or in hand pending collection			
97,99,110	per contra		2,69,95,774	
53,844	Prepaid Expenses		83,360	
2,58,344	Difference in Exchange		1,91,440	
18	Stamps in hand		18	
3,40,76,999				5,82,33,915
20,70,51,508	9. GUARANTEES PER CONTRA			17,07,88,429
23,00,000	10. UNDERWRITING CONTRACTS PER CONTRA			1,81,00,000
2,12,33,74,965	Carried over			2,15,27,37,637

BALANCE

Previous year	Capital and Liabilities	This year
Rs.	Rs.	Rs.
85,08,00,130	Brought Forward	90,48,46,377
78,56,15,415	BORROWINGS (<i>Contd.</i>)	75,66,12,817
—	(iv) From Government of India under interest differential funds in terms of KFW loan agreements.	8,52,000
21,47,49,369	(v) In Foreign Currency	22,16,30,935
100,03,64,784		97,90,95,752
1,08,16,648	10. DEFERRED FRENCH CREDIT ON ACCOUNT OF PRINCIPAL AMOUNT	1,05,16,015
—	11. SUBVENTION PAID BY GOVERNMENT OF INDIA.	
—	On account of dividend under Section 5 read with Section 32.	
—	Balance as per last Balance Sheet	—
—	LESS : Paid to Government of India	—
—	12. OTHER LIABILITIES.	
—	Interest accrued and accruing :	
1,48,88,796	(a) On borrowings from Government of India under Section 21 (4).	1,43,35,356
73,25,956	(b) On Industrial Finance Corporation Bonds	80,10,379
11,94,169	(c) On borrowings in Foreign Currency.	10,05,476
487	(d) On Sundry Deposits.	3,054
—	(e) On borrowings from Reserve Bank of India	8,285
2,34,09,408		2,33,62,550
8,94,204	Advance Guarantee Commission	7,30,949
1,03,62,206	Sundry Creditors	98,41,187
74,200	Legal Charges Suspense	1,17,500
33,23,363	Industrial Finance Corporation Employees' Provident Fund Account	41,53,144
614	Unclaimed Dividend	—
97,99,110	Cheques received for collection per contra	2,69,95,774
5,790	Commitment Charges accrued on Foreign Currency Loans availed	3,364
4,78,68,895		6,52,04,468
—	13. PROFIT & LOSS ACCOUNT :	
24,63,400	Balance as per last Balance Sheet	41,73,000
24,63,400	LESS : Dividend for 1970-71	41,73,000
—		—
190,98,50,457	Carried over	195,96,62,612

SHEET (Contd.)

Previous year	Property and Assets	This year		
Rs.		Rs.	Rs.	Rs.
2,12,33,74,965	Brought Forward			215,27,37,637

2,12,33,74,965

Carried over

215,27,37,637

BALANCE

Previous year	Capital and Liabilities	This year		
Rs.		Rs.	Rs.	Rs.
190,98,50,457	Brought Forward	—		1,95,96,62,612
—	PROFIT & LOSS ACCOUNT (<i>Contd.</i>)			
2,10,26,438	ADD : Profit for the year as per Profit & Loss Account		2,18,74,962	
50,00,000	LESS : Transferred to Special Reserve Fund (under Section 36(1)(viii) of the Income Tax Act, 1961)	44,00,000		
42,99,175	Transferred to Reserve for Doubtful Debts	49,18,366		
74,54,263	Transferred to General Reserve Fund	82,70,000		
1,00,000	Transferred to Staff Welfare Fund	1,00,000		
1,68,53,438			1,76,88,366	41,86,596
41,73,000				
14. CONTINGENT LIABILITIES :				
7,05,29,601	(a) Guarantees given [under Section 23(1)(b) per contra]	5,87,97,407		
13,65,21,907	(b) Foreign Loan Guarantees given [under Section 23(1)(c) per contra]	11,19,91,022		
20,70,51,508			17,07,88,429	
23,00,000	(c) Underwriting contracts [under Section 23(1)(d) per contra]		1,81,00,000	18,88,88,429
20,93,51,508				
	(d) Uncalled amount in respect of partly paid up shares held as investment under Section 23(1)(f) and Section 23(1) (h).		65,49,685	
212,33,74,965				215,27,37,637

Baldev Pasricha
General Manager

C. D. Khanna
Chairman

As per our report attached.

HARIBHAKTI & Co.

WALKER, CHANDIOK & Co.

Chartered Accountants.

Shri M. K. Venkatachalam
Shri N. A. Kalyani
Dr. Samuel Paul

} Directors

Sardar Santokh Singh
Shri C. P. Shah
Shri S. J. Utamsing

} Directors

HEET (Contd.)

Previous year	Property and Assets	This year
Rs.	Rs.	Rs.
2,12,33,74,965	Brought Forward	215,27,37,637
2,12,33,74,965		215,27,37,637

- NOTES:
1. Adequate provision has not been made for depreciation in the value of Investments held by the Corporation.
 2. Investments under Section 23(1)(h) include a sum of Rs. 1,97,900/- in the equity share capital of a Company which has gone into voluntary liquidation and the Corporation is not likely to realise the full amount invested.
 3. It is considered that the 'Reserve for Doubtful Debts' and the amount standing to the credit of 'Interest held in Suspense Account' are sufficient to cover the doubtful loans and advances.
 4. Loans and advances as on 30th June, 1971 included a sum of Rs. 1,27,75,000/- on account of arrears of instalments of interest/guarantee commission due from two concerns. During the year, as a part of the rehabilitation schemes, the said amount of arrears of interest/guarantee commission was adjusted by accepting equity/preference shares in the borrower companies at par value. The realisable value of such shares is below the par value.
 5. Commitment and other charges accrued include :
 - (a) Rs. 38,005/- due from a concern, which is considered doubtful of recovery. No specific provision has been made against this amount.
 - (b) Rs. 4,33,270/- due from a concern, which is considered doubtful of recovery and held in suspense.
 6. 'Sundry Debtors' includes a sum of—
 - (a) Rs. 1,97,525/- being 50 % of the face value paid towards application and allotment of shares in a company because the Corporation disputed the allotment in a suit filed against the company.
 - (b) Rs. 11,76,120/- being the amount paid to Delhi Development Authority for allotment of a plot of land in Paschimpuri, New Delhi, for the construction of staff quarters.
 - (c) Rs. 7,87,975/- recoverable from certain sub-borrowers on account of their additional liability in respect of instalments of principal repaid by them prior to the devaluation of the rupee in June 1966. The amount is in dispute and considered doubtful of recovery; no specific provision has been made in respect thereof.
 7. No provision has been made in respect of liability for future gratuity payable to members of the staff (amount not ascertained) in accordance with the Payment of Gratuity to Employees Regulations, 1968.

INDUSTRIAL FINANCE CORPORATION OF INDIA, NEW DELHI

Schedule showing particulars in respect of Loans and Advances referred to in the
Balance Sheet as at the 30th June, 1972.

	Rs.
(a) Debts considered good in respect of which the Corporation is fully secured. Out of this—	131,21,65,067
(i) Loans amounting to Rs. 60,13,24,150 are also secured by the personal guarantees of Directors and/or former Managing Agents and /or former Secretaries and Treasurers of borrower concerns (Of these, loans aggregating Rs. 67,22,496 are further secured by the guarantees of the Central and/or State Governments and loans aggregating Rs. Nil are guaranteed by the Scheduled or Cooperative Banks).	
(ii) Loans amounting to Rs. 40,43,89,105 are also secured by the guarantees of the Central and/or State Governments.	
(iii) Loans amounting to Rs. Nil are also secured by the guarantees of Scheduled and/or State Co-operative Banks.	
(b) Debts previously fully secured but now secured to the extent of Rs. 17,42,32,000 only. (Out of Rs. 24,45,40,802 loans amounting to Rs. 4,43,34,772 are also secured by the guarantees of the Central and State Governments).	24,45,40,802
(c) Debts secured only by the guarantees of the Central and/or State Governments.	4,48,05,349
(d) Debts secured only by the guarantees of the Scheduled and/or Cooperative Banks.	8,27,33,062
(e) Debts secured only by personal guarantees and/or Court Decrees.	6,82,012
Total of (a), (b), (c), (d) & (e)	168,49,26,292
(f) Debts due by concerns in which the Directors of the Corporation are interested as Directors and Shareholders.	23,26,57,058
Of these—	
(i) Debts aggregating Rs. Nil are due by Cooperative Societies in which the Directors of the Corporation are interested as nominees of State Government or Cooperative Banks or Registrar of Cooperative Societies.	
(ii) Debts aggregating Rs. 20,86,12,850 are due by concerns in which the Directors of the Corporation are interested as Shareholders only.	
(iii) Debts aggregating Rs. 2,40,44,208 are due by concerns in which the Directors of the Corporation are interested as Directors.	
(g) Total amount of loans disbursed during the year to concerns in which the Directors of the Corporation are interested as Directors and Shareholders.	66,38,908

	Rs.
(h) (i) Total amount of instalments whether of principal or interest of which default was made at any time during the year.	5,87,04,719
(ii) Total amount of instalments whether of principal or interest overdue at the end of the year.	14,72,16,751
(iii) Total amount of instalments whether of principal or interest overdue by concerns in which Directors of the Corporation are interested as Shareholders only.	1,24,29,153

NOTE: The schedule includes defaults committed by six concerns in payment of the instalments of deferred payments to the machinery suppliers met by the Corporation under Deferred Payment Guarantee and treated as loans.

BALDEV PASRICHA
General Manager

C. D. KHANNA
Chairman

HARIBHAKTI & CO.
WALKER, CHANDIOK & CO.
Chartered Accountants.

INDUSTRIAL FINANCE
NEW
Profit & Loss Account for the

Previous Year		This Year	
Rs.		Rs.	Rs.
8,20,34,017	To Interest on Bonds, Borrowings etc.		8,47,83,686
	„ Salaries, Allowances, Provident Fund and Gratuity.		
46,457	(a) Chairman	42,521	
29,325	(b) General Manager	33,879	
46,06,686	(c) Others	57,17,670	
2,10,110	(d) Provident Fund Contributions.	3,12,367	
2,250	(e) Gratuity.	• 3,123	
48,94,828		61,09,560	
	LESS : Amount recovered from assisted concerns for legal work		
2,81,700	done by the Corporation.	2,37,900	
46,13,128			58,71,660
11,350	„ Directors' Fees		10,750
4,350	„ Committee Members' Fees (Other than Directors).		9,650
1,00,711	„ Directors' Travelling and other allowances.		1,31,017
44,988	„ Committee Member's (Other than Directors) Travelling and other		
	allowances.		95,066
11,16,601	„ Rent Taxes, Insurance and Lighting.		18,59,505
1,62,185	„ Postage, Telegrams, Stamps and Telephones.		2,90,514
2,67,020	„ Printing, Stationery and Advertisement.		3,81,854
6,187	„ Repairs.		8,290
32,854	„ Law Charges.		13,997
20,000	„ Audit Fees.		25,000
1,13,870	„ Depreciation		1,83,024
	To Other Expenses :		
4,950	Agency Charges.	1,28,890	
19,047	Books and Newspapers.	18,112	
42,749	Medical Fees and Expenses.	60,825	
1,79,650	Travelling Expenses	2,96,486	
16,739	Halting Allowances.	18,151	
25,587	Maintenance of Motor Cars.	27,961	
6,000	Listing Fees.	7,200	
2,94,722			
8,85,27,261		Carried Over	5,57,625 9,36,64,013

**CORPORATION OF INDIA
DELHI.**

Year ended the 30th June, 1972.

Previous Year		This Year	
Rs.		Rs.	Rs.
12,57,83,668	By Interest (See Notes) (a), (b) and (c).		13,83,31,236
25,81,615	„ Commission (See Note (d)).		33,45,490
—	„ Rent.		—
12,22,356	„ Profit on sale of investments.		28,96,229
1,132	„ Profit on sale of Assets.		18,032
34,39,754	„ Dividend on Shares.		34,09,180
13,26,487	„ Commitment Charges.		15,89,104
—	„ Premia on premature repayments.		—
—	„ Bad Debts recovered.		8,333
2,40,015	„ Miscellaneous Income.		2,14,113
13,45,95,027		14,98,11,717	

PROFIT/LOSS

Previous Year		This Year	
Rs.		Rs.	Rs.
8,85,27,261	Brought Forward		9,36,64,013
2,94,722	To Other Expenses (<i>Contd.</i>)	5,57,625	
28,648	Bank Charges	13,706	
1,81,773	Expenses not Enumerated,	2,06,685	
1,67,672	Interest on Employees Provident Fund	2,00,209	9,78,225
6,72,815			
1,41, 091	„ Commitment Charges on Foreign Currency Loans.		2,18,242
—	„ Commitment Charges taken credit for in an earlier year, waived		1,07,397
1,16,756	„ Brokcrage on Bonds.		3,25,514
—	„ Discount on Bonds.		—
—	„ Bad Debts written off		—
—	„ Income tax deducted on sale of securities		—
—	„ Provision for doubtful debts.		—
4,10,000	„ Loss on sale of investments.		56,10,000
482	„ Asscts written off		—
184	„ Loss on sale of Assets.		—
—	„ Contribution to National Defence Fund		5,00,000
—	„ Grant to Institute for Financial Management and Research		50,000
—	„ Provision for depreciation in the value of Investments.		48,00,000
2,37,00,000	„ Provision for Taxation.		2,16,83,364
2,10,26,438	„ Balance of Profit carried to Balance Sheet.		2,18,74,962
13,45,95,027			14,98,11,717

BALDEV PASRICHA
General Manager

C. D. KHANNA
Chairman

As per our report attached
HARIBHAKTI & CO.
WALKER, CHANDIOK & CO.
Chartered Accountants

SHRI M. K. VENKATACHALAM }
SHRI N. A. KALYANI } Directors
DR. SAMUEL PAUL }

SARDAR SANTOKH SINGH }
SHRI C. P. SHAH } Directors
SHRI S. J. UTAMSING }

ACCOUNT—(contd.)

Previous Year		This Year	
Rs.		Rs.	Rs.
13,45,95,027	Brought Forward		14,98,11,717

13,45,95,027

14,98,11,717

NOTES :

- (a) 'Interest' includes a sum of Rs. 1,21,84,682/- transferred from 'Interest held in Suspense Account' being recovery of the arrears of interest relating to earlier years.
- (b) Interest does not include a sum of Rs. 74,01,316/- considered doubtful of recovery and held in Suspense Account.
- (c) Interest has not been charged on certain accounts where persistent defaults have been committed in the payment of interest and possibilities of recovery are considered remote.
- (d) Commission includes a sum of Rs. 4,20,572/- transferred from Commission held in Suspense Account, on recovery of the arrears of Guarantee Commission relating to earlier years.
- (e) 'Miscellaneous Income' does not include Rs. 18,834/- on account of Incidental Charges considered doubtful of recovery and held in Suspense Account.

INDUSTRIAL FINANCE CORPORATION OF INDIA**REPORT OF THE AUDITORS****TO THE SHAREHOLDERS****OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA**

We, the undersigned Auditors of the Industrial Finance Corporation of India, do hereby report to the Shareholders upon the Balance Sheet and Accounts of the Corporation as at 30th June, 1972.

We have examined the attached Balance Sheet with the Accounts and Vouchers relating thereto and the audited returns from the Branches, which returns are incorporated in the above Balance Sheet, and report that where we have called for explanations and information, such information and explanations have been given and have been satisfactory. In our opinion, the Balance Sheet together with the notes thereon is a full and fair Balance Sheet containing all necessary particulars and properly drawn up in accordance with the Act and the Rules of the Corporation so as to exhibit a true and correct view of the state of the affairs of the Corporation according to the best of our information and explanations given to us and as shown by the books of the Corporation.

MADRAS

Dated 30th August, 1972

HARIBHAKTI & CO
WALKER, CHANDIOK & CO
Chartered Accountants

APPENDIX A
STATEMENT OF FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION
OF INDIA FROM THE 1ST JULY, 1971 TO THE 30TH JUNE, 1972

(Rs. Lakhs)

Sl. No.	Name of the concern and location of the factory	Name of the Managing Director/Chairman/President of the Board of Directors/Secretaries and Treasurers	Cost of the project	Amount of financial assistance sanctioned (Gross)							Particulars of the project or purpose of assistance sanctioned.
				Rupee loans	Foreign currency loans (Rupee equivalent)	Underwritings			Guarantees		
						Equity	Preference	Debentures			
1	2	3	4	5	6	7	8	9	10	11	
ANDHRA PRADESH											
1.	M/s. Andhra Sugars Ltd., Kovvur, Distt : West Godavari.	Shri M. Timmaraju, Chairman, and Shri M. Harischandra Prasad, Managing Director.	493.64	1.97* (addl.)	48.03 (£ Sterling)	—	5.00	—	—	Expansion scheme envisaging an increase in the capacity for the manufacture of caustic soda from 30 tonnes to 100-tonnes per day.	
2.	M/s. Associated Glass Industries Ltd., Kukatpally, Hyderabad.	Dr. Syed Hussain Zaheer, Chairman, and Shri D.R.K. Reddy, Managing Director.	95.26 (over-run)	15.00 (Addl.)	—	—	—	—	—	For meeting the over-run in the cost of the project of setting up a new unit for the manufacture of 12,000 tonnes of white hollow ware, 12,000 tonnes of amber hollow ware and 1,500 tonnes of crystal ware per annum.	
3.	M/s. Jay Engineering Works Ltd., Hyderabad.	Lala Charat Ram, Chairman, (Shriram Group)	7.66	—	6.18 (DM) 1.55 (£ Sterling).	—	—	—	—	Import of one each of profile grinding machine and universal copy milling machine and certain measuring instruments required in taking up the manufacture of new models of fractional horse power motors.	
4.	M/s Capital Lighting and Electronic Products Ltd., Balanagar, Industrial Area, Hyderabad.	Shri L. N. Gupta, Proposed Managing Director.	62.82	—	26.32 (£ Sterling)	2.0	1.00	—	—	Setting up a new unit for the manufacture of GLS incandescent lamps (25 to 200 watts) of 230 voltage both B.C. and E.S. type with and capacity of 4.5 million numbers per annum.	

ASSAM

- | | | | | | | | | | |
|---|---|-----------|-------------------|---|---|---|---|---|---|
| 5. M/s. Ashok Paper Mills Ltd.,
(i) Jogighopa,
Distt : Goalpara,
Assam.
(ii) Rameshwarnagar,
Distt : Darbhanga,
Bihar.
(Notified backward districts) | Shri A.D. Adhikari,
Managing Director. | 1961·00** | 100·00
(addl.) | — | — | — | — | — | Rehabilitation scheme envisaging the setting up of a 120 tonnes/day bamboo-based pulp plant and a 90 tonnes/day paper plant at Jogighopa (Assam) and a 40/45 tonnes/day specially paper plant and a 10 tonnes/day rag pulp plant at Rameshwarnagar (Bihar). |
|---|---|-----------|-------------------|---|---|---|---|---|---|

BIHAR

- | | | | | | | | | | |
|--|--|-----|---|---|---|---|------------------|---|--|
| 6. M/s. Tata Iron & Steel Co. Ltd.,
Jamshedpur,
Distt : Singhbhum. | Shri J.R.D. Tata,
Chairman &
Shri S.K. Nanavati,
Managing Director,
(Tata Group) | *** | — | — | — | — | 75·00
(addl.) | — | Programme of replacement, modernisation and diversification. |
|--|--|-----|---|---|---|---|------------------|---|--|

GUJARAT

- | | | | | | | | | | |
|---|--|---------|---------|---|---|-------|---|---|---|
| 7. Indian Farmers Fertilizers Co-operative Ltd.,
(i) Kalol,
Distt : Mehsana.
(ii) Kandla,
Distt : Kutch.
(Notified backward districts) | Co-operative Society,
Shri Paul Pothan,
Managing Director. | 9160·00 | 300·00 | — | — | — | — | — | Setting up a new unit at Kalol for the manufacture of 3,00,300 tonnes of ammonia and 3,96,000 tonnes of urea per annum based on natural gas and another unit at Kandla for the manufacture of NPK (Nitrogenous, phosphatic and potash) fertilizers with an annual capacity of 3,75,500 tonnes, initially based on imported phosphoric acid. |
| 8. M/s. Sardar Vallabhbhai Patel Khand Udyog Co-operative Society Ltd.,
Dhoraji,
Distt : Rajkot. | Co-operative Society. | 245·00 | 130·00@ | — | — | — | — | — | Setting up a sugar factory with a crushing capacity of 1,250 tonnes of sugarcane per day. |
| 9. M/s. Air Control & Chemical Engineering Co. Ltd.,
Devdi,
Distt : Ahmedabad. | Shri Surendra
Maganlal Mehta,
Chairman. | 34·00 | — | — | — | 10·00 | — | — | Rehabilitation of the project by way of contribution to working capital requirements of the company for stepping up the production of air handling, cooling, air-conditioning and refrigerator equipment. |

*Since cancelled.

**excluding the expenditure already incurred towards setting up the unit at Rameshwarnagar.

***Cost of the project accounted for earlier.

@Reduced to Rs. 90·00 Lakhs consequent upon the participation of LIC in financing the project to the extent of Rs. 40·00 Lakhs.

APPENDIX A (contd.)

1	2	3	4	5	6	7	8	9	10	11
10.	M/s. Gujarat State Fertilizers Co. Ltd., Bajwa, Near Baroda.	Shri F.J. Heredia, Managing Director.	2670.00	—	13.22 (DM)	—	—	—	—	Import of certain equipment required for SO ₂ /Oleum plant to be put up in connection with the company's caprolactum project.
11.	M/s. Eurokote (India) Ltd., Vapi, Distt : Bulsar.	Shri G. Basu, Proposed Chairman.	180.00	10.00	16.00 (DM)	3.00	3.00	—	—	Setting up a new unit for the manufacture of high gloss cast coated paper/board with an installed capacity of 3,000 tonnes per annum.
<u>HARYANA</u>										
12.	M/s. Universal Steel & Alloys Ltd., Faridabad, Distt : Gurgaon.	Shri Swaran Singh Kanwar, Managing Director.	99.89	50.00	—	5.00	—	—	—	Setting up a new unit for the manufacture of 12,000 tonnes of mild steel billets per annum.
13.	M/s. Somany Pilkington's Ltd., Village : Kassar, Distt : Rohtak.	Shri H. L. Somany, Chairman and Shri M.K. Daga, Director.	8.20 (over-run)	8.00* (addl.)	—	—	—	—	—	For meeting the over-run in the cost of the project of setting up a factory for the manufacture of glazed ceramic tiles with a capacity of 5,400 tonnes per annum.
14.	M/s. Vardhman Spinning & General Mills Ltd., Faridabad, Distt : Gurgaon.	Shri Rattan Chand Oswal, Chairman and Shri Darshan Kumar Oswal, Managing Director.	148.32	50.00	—	10.00	—	—	—	—Diversification scheme envisaging the setting up of a new unit for the manufacture of mild steel, medium and spring steel ingots with an installed capacity of 30,000 tonnes per annum.
15.	M/s. American Universal Electric (India) Ltd., Faridabad, Distt: Gurgaon.	Shri K.P. Singh, Managing Director.	99.00	40.00	—	5.00 3.00@	2.00	—	—	Scheme envisaging expansion of the capacity for the manufacture of :— (i) FHP Motors from 2 lakh numbers to 2.20 lakh numbers per annum. (ii) Fans from 1 lakh numbers to 2 lakh numbers per annum. (iii) Laminations from 200 tonnes to 1300 tonnes per annum. and diversification into the production of 20,000 numbers of general purpose motors and 40,000 numbers of stator rotor sets per annum for sealed and semi-sealed compressors.

7-4796/72	16.	M/s. Jotindra Steel & Tubes Ltd., Faridabad, Distt : Gurgaon.	Shri Sitaram Sureka, Promoter Director	100.00	55.00	—	—	3.00	—	—	Scheme of setting up plant for the manufacture of 13,000 tonnes of black and galvanized steel tubes on single shift basis.
	17.	M/s. Usha Spg. & Wvg. Mills Ltd., Badarpur, Near Faridabad Distt : Gurgaon.	Shri Babubhai M. Chinai, Chairman and Shri Jaswant Raj, Managing Director.	10.46	—	5.93 (DM) (addl.)	—	—	—	—	Import of one MM-8 Jaeggli Yarn Hank Mercerising machine with auxiliary equipment.
	18.	M/s. Haryana Coated Papers Ltd., Ballabgarh, Distt : Gurgaon	Shri Prem Patnaik, Proposed Managing Director.	76.00	28.64	4.38 (FF) 12.67 (DM)	3.00	2.00	—	—	Setting up a new unit for the manufacture of art and chromo paper with a capacity of 1,800 tonnes per annum.
	19.	M/s Escorts Ltd., Faridabad, Distt : Gurgaon.	Shri H. P. Nanda, Managing Director.	3.50	—	3.50 (DM) (addl.)	—	—	—	—	For importing one Gear Hop Sharpening Machine to be used in the tool room of the company's existing factory at Faridabad.

KERALA

	20.	M/s Kerala Solvent Extractions Ltd., Irinjalakuda, Distt : Trichur, (Notified backward district)	Shri K. L. Francis, Managing Director.	11.50 (over-run)	7.50 (addl.)	—	—	—	—	—	For meeting the part of the over-run in the cost of the project of setting up a new unit for extraction of coconut oil by Solvent extraction process with a capacity of 40 tonnes per day.
	21.	M/s. Steel Complex Ltd., Feroke, Distt : Kozhikode.	Shri S.A. Jafri, Managing Director,	332.00	15.00	22.57 (£ Sterling)	5.00	—	—	—	Setting up a new unit for the manufacture of 37,000 tonnes per annum of mild, medium carbon and spring steel billets by continuous casting process.
	22.	M/s. Travancore Rayons Ltd., Rayonpuram, Distt : Ernakulam.	Shri A.R. Ramanathan, Chairman and Shri M. Ct. Pethachi, Managing Director. (Muthiah Group)	33.52	—	19.31 (DM) 5.00 (£ Sterling)	—	—	—	—	Import of certain balancing/ replacement equipment/components for its cellulose film plant and turbine and certain laboratory equipment.
	23.	M/s. Excel Glasses Ltd., Pathirapally Distt : Alleppey, (Notified backward district)	Dr. Rama Varma, Chairman and Shri Boban Kunchacko, Managing Director.	180.00	25.00	—	5.00	—	—	—	Setting up an automatic glass plant for the manufacture of 12,000 tonnes of white hollow-ware per annum.

*Since cancelled.

@Direct subscription since cancelled.

APPENDIX A (contd.)

1	2	3	4	5	6	7	8	9	10	11
24.	M/s. Travancore Cochin Chemicals Ltd., Eloor, Udyogamandal, Distt : Ernakulam, (Kerala Government Undertaking)	Shri T. Madhava Menon, Chairman and Shri Cheeran V. Mathews, Managing Director.	994.82	100.00	—	—	—	—	—	Expansion project envisaging the setting up of a second caustic soda/chlorine unit with a capacity of 100 tonnes of caustic soda per day; increase in the capacity of the sodium sulphide Plant from 1,000 to 2,100 tonnes per annum and setting up a captive unit for the manufacture of liquid sulphur dioxide with a capacity of 4,500 tonnes per annum.
<u>MADHYA PRADESH</u>										
25.	M/s. Gwalior Lamps & Electricals Ltd., Maharajpur, Gwalior.	Shri H. C. Gupta, Proposed Managing Director.	62.82	—	26.32 (£ Sterling).	2.00	1.00	—	—	Setting up a unit for the manufacture of GLS lamps (25 to 200 Watts) of 230 and 250 Volatge both B.C. & E.S. type with a capacity of 4.5 million numbers per annum.
<u>MAHARASHTRA</u>										
26.	M/s. Bhogawati Sahakari Sakhar Karkhana Ltd., Shahunagar, Distt : Kolhapur.	Co-operative Society.	208.65	75.00 (addl.)	—	—	—	—	—	Expansion scheme envisaging an increase in the crushing capacity from 1,250 tonnes to 2,000 tonnes of sugarcane per day.
27.	M/s. Sanjivani (Takli) Sahakari Sakhar Karkhana Ltd., Sahajanandnagar, Distt : Ahmednagar.	Co-operative Society.	95.47	45.00 (addl.)	—	—	—	—	—	Expansion scheme envisaging an increase in the crushing capacity from 1,250 tonnes to 1,700 tonnes of sugarcane per day.
28.	M/s. Niphad Sahakari Sakhar Karkhana Ltd., Pimpalas, Taluka Niphad, Distt. : Nasik.	Co-operative Society.	160.25	75.00 (addl.)	—	—	—	—	—	Expansion scheme envisaging an increase in the crushing capacity from 1,000 tonnes to 2,000 tonnes of sugarcane per day.
29.	M/s. Jijamata Sahakari Sakhar Karkhana Ltd. Shankar Nagar Dusarbid Distt : Buldhana, (Notified backward district)	Co-operative Society.	279.11	150.00*	—	—	—	—	—	Setting up a sugar factory with an installed crushing capacity of 1,250 tonnes of sugarcane per day.

30.	M/s. Shri Satpuda Tapi Parisar Saha- kari Sakhar Karkhana Ltd., Lonkheda-Dongargaon, Taluka Sahada, Distt. Dhulia. (Notified backward district)		293.12	150.00*	—	—	—	—	—	Setting up a sugar factory with a crushing capacity of 1,250 tonnes per day.
31.	M/s. Shri Panchganga Sahakari Sakhar Co-operative Society. Karkhana Ltd., Ganganagar-Ichalkaranji, Taluka Hatkanagale, Distt : Kolhapur.		132.00	75.00 (addl.)	—	—	—	—	—	Expansion scheme envisaging an increase in the crushing capacity of sugarcane from 2,600 tonnes to 3,250 tonne per day.
32.	M/s. Ogale Glass Works Ltd., Ogalevadi, Distt : North Satara.	Shri V. Nimbkar, Chairman and Shri Sham Shankar Ogale, Managing Director.	17.50	11.00 (addl.)	—	—	—	—	—	Scheme envisaging the ex- pansion/diversification in the installed capacity in the glassware section and in- crease in the tool-room faci- lities in the Precision Pressing Division.
33.	M/s. Globe Steerings Ltd., Mulund, Bombay.	Shri C.J. Talsania, Proposed Managing Director.	91.00	15.00	—	3.00	—	—	—	Setting up a new unit for the manufacture of 25,000 numbers of steering gears per annum.
34.	M/s. Pudumjee Pulp & Paper Mills Ltd., Thergaon, Near Chinchwad, Poona.	Shri S.L. Kirloskar, Chairman.	10.00	—	5.73 (DM) (addl.)	—	—	—	—	Import of fourth stage blea- ching equipment for the com- pany's pump plant to manu- facture brighter grease-proof and glassine paper.
35.	M/s. Automobile Products of India Ltd., Thana.	Shri M.A. Chidambaram, Chairman and Managing Director.	9.98	—	9.98 (DM) (addl.)	—	—	—	—	Import of equipment for the scheme of improving some of its manufacturing operations in the production of Lam- bretta Scooters and 3- wheelers.
36.	M/s. Seven Seas Transportation Ltd., Bombay.	Shri Gopalkrishna Singhania, Chairman (J.K. Singhania Group)	960.00	—	—	5.00	5.00	—	—	Scheme of acquiring 3 to 4 second-hand bulk carriers of 20,000 to 40,000 DWT for employment on the interna- tional tramp trade.
37.	M/s. Terna Shetkari Sahakari Sakhar Co-operative Society Karkhana Ltd., Dhoki, Distt : Osmanabad. (Notified backward district)		86.17	50.00 (addl.)	—	—	—	—	—	Scheme of expansion envisag- ing an increase in the crush- ing capacity from 1,250 ton- nes to 2,000 tonnes of sugar- cane per day.

*To be reduced to the extent LIC participates in financing the project.

APPENDIX A (contd.)

1	2	3	4	5	6	7	8	9	10	11
38.	M/s. Shetkari Sahakari Sakhar Karkhana Ltd., Killari, Taluka AUSA, Distt : Osmanabad, (Notified backward district)	Co-operative Society.	261.00	150.00@	—	—	—	—	—	Setting up a sugar factory with an installed crushing capacity of 1,250 tonnes of sugarcane per day.
39.	M/s. Nasik District Spinning Mills Ltd., Near Satana, Distt. Nasik.	Co-operative Society.	114.50	54.00	—	—	—	—	—	Setting up a spinning mill with a complement of 12,320 spindles.
40.	M/s. Tata Merlin & Gerin Ltd., Punchpakhadi village, Distt : Thana.	Shri M. P. Vazifdar, Managing Director. (Tata Group)	75.32	35.00 (addl.)	—	—	—	—	—	Scheme of expansion envisaging manufacture of 66 KV current and potential transformers, procurement of certain balancing equipment and for setting up Research and Development Division.
41.	M/s. Swastik Rubber Products Ltd., Chinchwad, Poona.	Shri S.L. Kirloskar, Chairman and Shri V.S. Vaidya and Shri G.S. Vaidya, Joint Managing Directors.	0.67	—	0.67 (DM)	—	—	—	—	Import of one Dan Mixer and one Dan Blender with spares for manufacturing sponge insoles.
42.	M/s. Shree Shankar Sahakari Sakhar Karkhana Ltd., Sadashivnagar, Distt : Sholapur.	Co-operative Society.	154.00	85.00	—	—	—	—	—	For repayment of temporary loans raised from banks for the purchase of a partly completed factory with a cane crushing capacity of 800 tonnes per day and for meeting the further capital expenditure to be incurred.
43.	M/s. Bahco Taparia Tools Ltd., Nasik.	Shri Shreeram Taparia, Chairman and Proposed Managing Director, Shri Shyam Sunder Taparia, Director.	30.00	10.0 (addl.)	—	—	—	—	—	Rehabilitation of the company's project for setting up a unit for the manufacture of forged hand tools with a capacity of 492 tonnes per annum.
<u>MYSORE</u>										
44.	M/s. Mangalore Chemicals & Fertilisers Ltd., Panambur, Near Mangalore, Distt : South Kanara, (Notified backward district)	Shri P.A. Narielwala, Chairman and Shri N.R. Seshadri, Managing Director.	5804.62	100.00	—	30.00	30.00	—	—	Setting up a fertilizer unit for the manufacture of 2,17,800 tonnes of ammonia and 3,40,000 tonnes of urea per annum.

45. M/s. Motor Industries Co. Ltd., (i) Bangalore, (ii) Nasik.	Shri Bhailal C. Patel, Chairman, Shri D.N. Vatcha, Commercial Director and Shri G.H. Schoeffler, Technical Director.	2580.00	60.00	—	—	—	—	—	Expansion scheme envisaging the expansion of the company's existing unit at Bangalore and establishment of a new unit at Nasik for increasing the manufacturing capacity of the existing products, viz. single and multi-cylinder pumps from 2.15 lakhs pieces to 6.30 lakh pieces per annum and Delivery Valves, Filters/Filter inserts, spark and glow plugs, Nozzles and Nozzle holders etc. from 8.55 million pieces to 16.04 million pieces per annum.
46. M/s. Suri & Nayar Ltd., Bangalore.	Shri S.K. Nayar, Proposed Managing Director.	113.67	60.00	—	5.00	5.00	—	—	Setting up a new unit at Bangalore for the manufacture of 36 numbers of diesel locomotives from 47 HP to 600 HP and 5000 sets per annum of bevel gears and pinion sets.

ORISSA

47. M/s. Orissa Textile Mills Ltd., Choudwar, Distt : Cuttack.	Shri Pratap Singh, Managing Director.	54.15	21.24	27.47 (DM) (addl.)	—	—	—	—	Expansion scheme envisaging the increase in the capacity of loom-shed from 1.09 lakh metres to 1.15 lakh metres of cloth per day.
48. M/s. Bolani Ores Ltd., Bolani, Distt : Keonjhar, (Notified backward district)	Shri G. Ramanathan, Chairman and Shri R. Sondhi, General Manager (Bird-Heilgers Group)	411.00	75.00	—	—	—	—	—	Integrated scheme of progressive mechanisation of the mining facilities for iron-ore to obtain 1,30,000 tonnes of lump-ore and 80,000 tonnes of fines per month.
49. M/s. Aluminium Corporation of India Ltd., Jeypore, Distt : Koraput. (Notified backward district)	Dr. Padampat Singhania, Chairman and Shri Shripati Singhania, Managing Director. (J.K. Singhania Group)	—	—	—	25.00**	—	—	—	Setting up an integrated aluminium manufacturing unit with a capacity of 15,000 tonnes per annum of aluminium metal together with rod fabrication capacity of 7,000 tonnes per annum.

@To be reduced to the extent LIC participates in financing the project.

*Cost of the project accounted for earlier.

**Since cancelled.

APPENDIX A (contd.)

1	2	3	4	5	6	7	8	9	10	11
PUNJAB										
50.	M/s. Punjab Tractors Ltd., Mohali Industrial Estate, (Near Chandigarh) Distt : Ropar.	Shri B.B. Mahajan, Chairman and Shri Chandra Mohan, Executive Director.	369.98	75.00	3.37 (DM) 5.84 (£ Sterling)	20.00	5.00	—	—	Setting up a new unit for the manufacture of 5,000 numbers of 20/30 HP 'Swaraj' tractors per annum.
RAJASTHAN										
51.	M/s. Aditya Mills Ltd., Kishangarh, Distt : Ajmer	Shri Ashwini Kumar Kanoria, Managing Director. (Bhagirath Kanoria Group)	46.50	36.50 (addl.)	—	—	—	—	—	Scheme of diversification, increase in the capacity of the Sizing Department and marginal expansion by installation of 1,760 additional spindles.
52.	M/s. Anil Steel & Industries Ltd., Kanakpura, Distt : Jaipur.	Shri S.N. Khaitan, Promoter Director.	217.34	41.76*	37.44 (DM)	5.00	2.00	—	—	Setting up a new unit for hardening and tempering high carbon and alloy steel strips with an effective capacity of 2,400 tonnes per annum on triple shift working.
TAMIL NADU										
53.	M/s. Chettinad Cement Corporation Ltd., Puliyur village, Karur Taluk, Distt : Tiruchirapalli, (Notified backward district)	Shri M.A.M. Ramaswamy Chettiar, Managing Director.	106.00 (over-run)	35.00** (addl.)	—	—	—	—	—	For meeting the balance capital expenditure on the project which envisaged setting up a cement factory with an installed capacity of 4 lakh tonnes per annum.
54.	M/s. Southern Petro-Chemical Industries Corporation Ltd., Tuticorin, Distt : Tirunelveli.	Shri M.A. Chidambaram, Chairman and Shri K.R. Srivatsa, Vice-Chairman and President.	7100.02	200.00	—	50.00 25.00@	25.00@	—	—	Setting up an integrated fertilizer manufacturing unit for the manufacture of 3,52,000 tonnes of ammonia 5,12,000 tonnes of urea as also 1,50,000 tonnes of Sulphuric acid and 53,000 tonnes of phosphoric acid as intermediate products for the manufacture of 28,000 tonnes of DAP (diammonium phosphate) and 1,60,000 tonnes of NPK fertilizers per annum.

55.	M/s. Enfield India Ltd, Anaikaraipatti, Tirupattur Taluk, Distt : Ramanathapuram, (Notified backward district)	Shri S. Sankaran, Managing Director.	118.12	50.00 (addl.)	—	—	—	—	—	Scheme of expansion envisaging the setting up of a new unit for the manufacture of 14,000 numbers of 173cc motor cycle per annum.
56.	M/s. Protein Products of India Ltd., Sholur, Near Ootacamund, Distt : Nilgiris.	Shri A.D. Mango, Chairman M/s. Apinwal & Co. Ltd., Secretaries. (Rallis Group)	46.70 (over-run)	6.00 (addl.)	—	—	—	—	—	For meeting the over-run in the cost of setting up a unit for the manufacture of gelatine, dry ossein and di-calcium phosphate.
57.	M/s. Shriram Fibres Ltd., Manali, Distt : Chingleput.	Dr. Bharat Ram & Lala Charat Ram and five other Directors. (Shriram Group)	769.10	75.00	—	26.45 3.55@	5.00	—	—	Setting up a new unit for the manufacture of Nylon-6 tyre yarn with an annual installed capacity of 2,000 tonnes (out of which 1,000 tonnes will be converted into tyre cord).
58.	M/s. Mettur Chemical & Industrial Corporation Ltd., Mettur Dam, Distt : Salem.	Shri S. Narayanaswamy, Vice-Chairman and Shri R.V. Ramani, Managing Director. (Seshasayee Group)	5.65	—	4.26 (DM) (addl.)	—	—	—	—	Import of 100 numbers of 1-tonne chlorine containers complete with valves from the U.S.A.

UTTAR PRADESH

59.	M/s. Century Metals Ltd., Delhi Hapur Road, Ghaziabad. Distt. Meerut.	Shri G.D. Saraogi, Proposed Managing Director.	92.04	44.00@	—	4.50	1.50	—	—	Setting up a new unit for the manufacture of aluminium alloys, castings and pressed items for industrial use with an annual installed capacity of 2400, 320 and 720 tonnes respectively.
60.	M/s. Rathi Alloys & Steel Ltd., Ghaziabad. Distt : Meerut.	Shri Harikrishan Rathi, Chairman and Shri Chand Ratan Rathi, Managing Director.	173.80	4.71 (addl.)	21.46 (£ Sterling)	2.50 (addl.)	2.50 (addl.)	—	—	Scheme of expansion envisaging increase in its installed capacity from 20,000 tonnes to 37,000 tonnes per annum of mild steel, high carbon and alloys steel billets.
61.	M/s. Somani Steels Ltd., Sonik, Distt : Unnao, (Notified backward district)	Shri R.K. Somani, Proposed Managing Director.	120.00	70.00	—	5.00	—	—	—	Setting up a new unit for the manufacture of 15,000 tonnes of mild steel billets/ingots per annum.

*Reduced to Rs. 21.67 lakhs consequent upon the IDBI participation in financing the project.

**Reduced to Rs. 20.00 lakhs consequent upon the IDBI agreeing to meet the balance requirements of the company.

@Direct subscription.

@@Reduced to Rs. 29.00 lakhs consequent upon the participation by the IDBI to the extent of Rs. 15.00 lakhs in financing the project.

†Reduced to Rs. 50.00 lakhs consequent upon the participation by the Uttar Pradesh Financial Corporation to the extent of Rs. 20.00 lakhs.

APPENDIX A (contd.)

1	2	3	4	5	6	7	8	9	10	11
62	M/s. Surrindra Stein Malt Ltd., Ghaziabad, Distt : Meerut.	Shri Movinder Singh, Managing Director.	46.00	—	3.85 (DM)	—	—	—	—	Import of certain equipment required for the project en- visaging the setting up of a barley malt manufacturing unit with a capacity to process 4,800 tonnes of barley per annum.
63.	M/s. Jesons Electronics Ltd., Sahibabad, Near Ghaziabad, Distt : Meerut.	Lala Charat Ram, Chairman and Shri R.J. Agarwal, Managing Director.	136.50	—	—	2.00	2.00	—	—	Setting up a new unit for the manufacture of dry bat- tery cells with an installed capacity of 60 million cells per annum.
64.	M/s. Modi Rubber Ltd., Pablikhas, Distt. Meerut.	Shri K.N. Modi Vice-Chairman (Modi Group)	1900.00	250.00	—	33.00 17.00*	—	—	—	Setting up a new unit for the manufacture of 4 lakh numbers each of automobile tyres and tubes per annum.
65.	M/s. Modi Industries Ltd., Modinagar, Distt : Meerut.	Rai Bahadur Seth Gujar Mal Modi, Chairman and Managing Director. (Modi Group)	29.07	—	10.05 (DM)	—	—	—	—	Import of one briquetting press with one beater crusher from West Germany for com- pressing steel scraps.
66.	M/s. India Engineering & Construc- tion Co. Ltd., Unnao, (Notified backward district)	Shri S.K. Bhowmik, Managing Director.	93.00	32.00	9.43 (DM)	3.00	3.00	—	—	Setting up a new unit for the manufacture of steel tubular poles with a licensed capacity of 39,000 tonnes per annum.
WEST BENGAL										
67.	M/s. Angus Co. Ltd., Angus, Distt : Hooghly. (Notified backward district)	Shri Harilal Mehta, Managing Director.	97.26	65.00	—	—	—	—	—	Scheme of modernisation en- visaging installation of 31 wide looms and replacement of certain old and obsolete machines in the Batching to Winding Departments.
TOTAL :			40478.67	3217.32	350.46	308.00	113.00	75.	—	
Amounts sanctioned by way of conversion/re-allocation of different facilities in respect of assistance sanctioned to six concerns in earlier years.			—	103.83	107.34	—	—	—	—	
Increase in rupee equivalent £ Sterling sub-loans sanctioned to two concerns in the previous year due to change in the composite rate of exchange for £ Sterling.			—	—	1.22	—	—	—	—	

*Direct subscription.

APPENDIX B

STATE/TERRITORY-WISE DISTRIBUTION OF NET FINANCIAL ASSISTANCE SANCTIONED
AS ON THE 30TH JUNE, 1972*(After adjustment of cancellations/withdrawals)*

(Rs. Lakhs)

State/Territory	No. of projects	Amount			Total	% of the total
		Loans	Under-writings	Guarantees for deferred payments on machinery & for foreign loans		
Andhra Pradesh	34	1531.43	182.82	925.82	2640.07	6.6
Assam	7	401.79	350.00	—	751.79	1.9
Bihar	25	1582.75	288.00	329.75	2200.50	5.5
Gujarat	46	2601.53	187.32	127.30	2916.15	7.3
Haryana	28	1141.87	104.38	20.08	1266.33	3.2
Kerala	19	1186.33	29.50	172.47	1388.30	3.5
Madhya Pradesh	16	684.14	226.25	39.82	950.21	2.4
Maharashtra	121	7357.57	571.28	375.93	8304.78	20.8
Meghalaya	1	95.00	—	—	95.00	0.2
Mysore	41	1967.99	265.50	22.52	2455.01	6.2
Orissa	17	1143.04	95.00	—	1238.04	3.2
Punjab	12	742.36	25.00	9.96	777.32	2.0
Rajasthan	14	926.34	22.50	757.35	1706.19	4.3
Tamil Nadu	64	3643.40	545.38	1227.06	5415.84	13.6
Uttar Pradesh	44	2704.77	272.25	322.31	3299.33	8.3
West Bengal	70	3190.17	217.50	532.13	3939.80	9.9
Delhi	3	187.62	9.75	97.30	294.67	0.7
Andaman & Nicobar Islands	1	11.00	—	—	11.00	—
Goa	1	—	75.00	—	75.00	0.2
Pondicherry	1	52.00	—	8.16	60.16	0.2
TOTAL :	565	31151.10	3467.43	5166.96	39785.49	100.0

APPENDIX C

ANALYSIS OF THE NET FINANCIAL ASSISTANCE SANCTIONED TO VARIOUS TYPES OF INDUSTRIES AS PER THE INTERNATIONAL STANDARD INDUSTRIAL CLASSIFICATION OF ALL ECONOMIC ACTIVITIES AS ON THE 30TH JUNE, 1972

(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)

Type of Industry	No. of projects	Amount				% of the whole
		Loans	Under-writings	Guarantees for deferred payments on machinery & for foreign loans	Total	
1	2	3	4	5	6	7
Food Manufacturing Industries except Beverage Industries—						
(i) Sugar	96	7964.89	49.00	—	8013.89	20.1
(ii) Canning & Preserving of Fruits & Vegetables and other Food manufacturing industries	2	3.85	3.90	—	7.75	—
Manufacture of Textiles—						
(i) Spg., Wvg. & Finishing of Cotton Textiles	93	3692.25	197.50	278.21	4167.96	10.5
(ii) Spg., Wvg. & Finishing of Jute Manufacturers	14	590.31	—	—	590.31	1.5
Manufacture of Synthetic Fibres	14	1091.49	131.25	42.35	1265.09	3.2
Manufacture of Wood & Cork except manufacture of Furniture	5	188.43	7.00	—	195.43	0.5
Manufacture of Paper & Paper Products	29	1780.00	170.07	551.16	2501.23	6.3
Manufacture of Rubber Products	9	1005.41	77.00	265.61	1348.02	3.4
Manufacture of Basic Industrial Chemicals	18	1548.83	47.75	176.03	1772.61	4.4
Manufacture of Fertilizers	10	1373.82	384.43	1278.86	3037.11	7.6
Manufacture of Miscellaneous Chemical Products	21	1086.54	221.35	245.72	1553.61	3.9
Manufacture of Vegetable & Animal Oil & Fats	5	91.00	7.00	—	98.00	0.3
Manufacture of Glass & Glass Products	12	340.71	20.00	—	360.71	0.9
Manufacture of Pottery, China & Earthenware	12	438.33	23.00	—	461.33	1.2
Manufacture of Cement	26	1680.16	210.89	18.54	1909.59	4.8
Basic Metal Industries—						
(i) Iron & Steel	11	779.22	252.25	—	1031.47	2.6
(ii) Non-Ferrous Metals	11	938.97	301.00	1945.65	3185.62	8.0
Manufacture of Metal Products except Machinery & Transport Equipment	57	1922.53	442.60	130.26	2495.39	6.3
Manufacture of Machinery except Electrical Machinery	23	1214.53	104.70	105.01	1424.24	3.6
Manufacture of Electrical Machinery, Apparatus, Appliances & Supplies	38	1248.02	167.24	—	1415.26	3.5
Manufacture of Rail-Road Equipment	4	132.25	11.50	—	143.75	0.4
Manufacture of Motor Vehicles & Ancillaries	21	1002.66	203.00	26.95	1232.61	3.1
Manufacture of Bicycles	3	185.05	—	—	185.05	0.5
Electricity, Gas & Steam, Water & Sanitary Services—						
(i) Electric Light & Power : Generation, Transmission & Distribution	5	43.00	50.00	—	93.00	0.2
(ii) Gas Manufacture & Distribution	3	137.56	8.00	9.61	155.17	0.4
Mining & Quarrying—						
(i) Coal	3	122.00	—	—	122.00	0.3
(ii) Iron Ore	1	75.00	—	—	75.00	0.2
(iii) Stone Quarrying Minerals	1	—	10.00	—	10.00	—
(iv) Petroleum & Natural Gas	1	—	350.00	—	350.00	0.9
Hotel Industry	5	268.12	7.00	93.00	368.12	0.9
Miscellaneous Manufacturing Industries	11	206.17	—	—	206.17	0.5
Shipping	1	—	10.00	—	10.00	—
TOTAL :	565	31,151.10	3467.43	5166.96	39,785.49	100.0

APPENDIX D

STATEMENT SHOWING STATE-WISE DISTRIBUTION OF THE NUMBER AND AMOUNT OF APPLICATIONS PENDING AS ON THE 1ST JULY, 1971 AS ALSO THOSE RECEIVED, WITHDRAWN AND SANCTIONED DURING THE YEAR ENDED THE 30TH JUNE, 1972, AND APPLICATIONS PENDING AS ON THE 30TH JUNE, 1972

(Rs. Lakhs)

State/Territory (1)	Applications pending at the beginning of the year (1.7.71)*		Applications received during the year (1.7.71 to 30.6.72)		Applications withdrawn during the year (1.7.71 to 30.6.72)		Applications sanctioned (net amount) during the year (1.7.71 to 30.6.72)		Applications pending as on 30.6.1972**	
	No. (2)	Amount (3)	No. (4)	Amount (5)	No. (6)	Amount (7)	No. (8)	Amount (9)	No. (10)	Amount (11)
Andhra Pradesh	—	—	5	454.55	1	30.39	4	105.01	—	—
Assam	—	—	2	751.48	—	—	1	100.00	1	651.48
Bihar	—	—	2	345.00	—	—	1	75.00	1	270.00
Gujarat	1	3723.00	6	601.22	—	—	5	445.22	2	410.00
Haryana	2	62.00	@7	286.12	1	23.00	7	280.12	—	—
Kerala	1	256.57	4	831.42	—	—	5	204.38	—	—
Madhya Pradesh	—	—	1	32.50	—	—	1	29.32	—	—
Maharashtra	8	655.00	25	2447.49	1	60.00	18	1009.38	14	2028.11
Mysore	2	4927.00	7	1176.25	—	—	3	290.00	6	878.25
Orissa	—	—	@4	448.71	—	—	2	123.71	1	100.00
Punjab	—	—	2	572.39	—	—	1	109.21	1	262.00
Rajasthan	1	36.50	2	165.33	—	—	2	102.70	1	27.83
Tamil Nadu	—	—	9	5898.01	—	—	6	490.26	3	135.00
Uttar Pradesh	2	160.00	8	865.29	—	—	8	486.50	2	189.34
West Bengal	—	—	+7	311.12	1	4.21	1	65.00	5	241.91
Delhi	—	—	1	110.00	—	—	—	—	1	110.00
TOTAL :	17	9820.07	92	16296.88	4	117.60	65	3915.81	38	5303.92
Of which joint financing with other financial institutions :	4	8944.57	20	11847.65	—	—	17	1882.18	7	2305.41

*The number and amount of applications pending at the beginning of the year may not tally with the figures shown in the Annual Report for the previous year due to certain changes made subsequently by the applicant concerns.

**45 applications made to the Corporation upto the end of the year were incomplete in important respects and as such are not included in this statement.

+Excludes 1 application for Rs. 20 lakhs rejected during the year.

@Include applications from 2 concerns for Rs. 23 lakhs treated as cancelled.

APPENDIX E

STATEMENT SHOWING INDUSTRY-WISE DISTRIBUTION OF NET FINANCIALS
UPTO THE 30TH JUNE, 1972 IN EACH STATE

- (a) represents loans
 (b) represents underwritings
 (c) represents guarantees for deferred payments on machinery and for foreign loans

Type of Industry	Andhra Pradesh	Assam	Bihar	Gujarat	Haryana	Kerala	Madhya Pradesh	Meghalaya	Maharashtra	Mysore
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Food manufacturing industries except beverage industries	(a) 735.00	60.00	186.50	444.50	106.00	180.00	80.00	—	3704.70	706.75
—Sugar	(b) —	—	5.00	—	—	—	—	—	—	—
	735.00	60.00	191.50	445.50	106.00	180.00	80.00	—	3704.70	706.75
—Canning & preserving of fruits & vegetables and other food manufacturing industries	(a) —	—	—	—	3.90	—	—	—	—	—
	(b) —	—	—	—	—	—	—	—	—	—
	—	—	—	—	3.90	—	—	—	—	—
Manufacture of textiles:										
—Spinning, weaving & finishing of cotton textiles	(a) 236.07	26.17	84.70	512.70	147.06	27.50	252.14	—	561.20	245.57
	(b) 27.50	—	8.00	13.00	7.50	2.50	12.00	—	5.00	30.00
	(c) 6.87	—	—	—	10.60	11.68	39.82	—	—	39.52
	270.44	26.17	92.70	525.70	165.16	41.68	303.96	—	566.20	315.09
—Spinning, weaving & finishing of jute manufactures	(a) —	78.50	—	—	—	—	—	—	—	—
	—	78.50	—	—	—	—	—	—	—	—
Manufacture of synthetic fibres	(a) —	—	—	443.00	—	49.24	50.00	—	185.00	—
	(b) —	—	—	23.00	—	—	46.25	—	7.00	—
	(c) —	—	—	42.35	—	—	—	—	—	—
	—	—	—	508.35	—	49.24	96.25	—	192.00	—
Manufacture of wood & cork except manufacture of furniture	(a) —	100.74	—	—	—	56.69	—	—	—	—
	(b) —	—	—	7.00	—	—	—	—	—	—
	—	100.74	—	7.00	—	56.69	—	—	—	—
Manufacture of paper & paper products	(a) 110.98	100.00	218.76	84.97	45.69	40.00	—	—	127.97	417.85
	(b) 15.00	—	—	52.57	5.00	—	—	—	22.50	—
	(c) —	—	311.21	57.95	—	—	—	—	—	182.00
	125.98	100.00	529.97	195.49	50.69	40.00	—	—	150.47	599.85
Manufacture of rubber products	(a) —	—	—	—	—	31.33	—	—	104.67	—
	(b) —	—	—	—	—	2.00	—	—	—	—
	(c) —	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	33.33	—	—	104.67	—
Manufacture of fertilisers	(a) —	—	—	513.22	—	306.00	—	—	—	100.00
	(b) 84.43	—	—	20.00	—	—	—	—	—	60.00
	(c) 878.86	—	—	—	—	—	—	—	—	—
	963.29	—	—	533.22	—	306.00	—	—	—	160.00
C/O	2094.71	365.41	814.17	2215.26	325.75	706.94	480.21	—	4718.04	1781.69

ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA,
(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)											No. of projects
Orissa	Punjab	Rajas- than	Tamil Nadu	Uttar Pradesh	West Bengal	Delhi	Andaman & Nicobar Islands	Pondi- cherry	Goa	Total	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
175.00	315.00	80.00	750.44	440.00	—	—	—	—	—	7964.89	
—	—	—	44.00	—	—	—	—	—	—	49.00	
175.00	315.00	80.00	794.44	440.00	—	—	—	—	—	8013.89	96
—	—	—	—	3.85	—	—	—	—	—	3.85	
—	—	—	—	—	—	—	—	—	—	3.90	
—	—	—	—	3.85	—	—	—	—	—	7.75	2
169.19	148.89	256.00	373.00	348.61	216.45	35.00	—	52.00	—	3692.25	
5.00	—	7.50	45.00	15.00	19.50	—	—	—	—	197.50	
—	9.96	—	24.99	122.31	—	4.30	—	8.16	—	278.21	
174.19	158.85	263.50	442.99	485.92	235.95	39.30	—	60.16	—	4167.96	93
—	—	—	—	—	511.81	—	—	—	—	590.31	
—	—	—	—	—	511.81	—	—	—	—	590.31	14
—	—	55.80	75.00	233.45	—	—	—	—	—	1091.49	
—	—	—	35.00	20.00	—	—	—	—	—	131.25	
—	—	—	—	—	—	—	—	—	—	42.35	
—	—	55.80	110.00	253.45	—	—	—	—	—	1265.09	14
—	—	—	—	—	20.00	—	11.00	—	—	188.43	
—	—	—	—	—	—	—	—	—	—	7.00	
—	—	—	—	—	20.00	—	11.00	—	—	195.43	5
127.81	—	—	—	257.06	248.91	—	—	—	—	1780.00	
50.00	—	—	—	5.00	20.00	—	—	—	—	170.07	
—	—	—	—	—	—	—	—	—	—	551.16	
177.81	—	—	—	262.06	268.91	—	—	—	—	2501.23	29
—	—	—	277.99	303.34	288.08	—	—	—	—	1005.41	
—	—	—	—	55.00	20.00	—	—	—	—	77.00	
—	—	—	28.35	—	237.26	—	—	—	—	265.61	
—	—	—	306.34	358.34	545.34	—	—	—	—	1348.02	9
—	—	54.60	200.00	200.00	—	—	—	—	—	1373.82	
—	—	—	100.00	45.00	—	—	—	—	75.00	384.43	
—	—	200.00	—	200.00	—	—	—	—	—	1278.86	
—	—	254.60	300.00	445.00	—	—	—	—	75.00	3037.11	10
527.00	473.85	653.90	1953.77	2248.62	1582.01	39.30	11.00	60.16	75.00	21126.79	272

APPENDIX E (Contd)

STATEMENT SHOWING INDUSTRY-WISE DISTRIBUTION OF NET FINANCIAL
UPTO THE 30TH JUNE, 1972 IN EACH STATE

- (a) represents loans
 (b) represents underwritings
 (c) represents guarantees for deferred payments on machinery and for foreign loans

Type of Industry	Andhra Pradesh	Assam	Bihar	Gujarat	Haryana	Kerala	Madhya Pradesh	Meghalaya	Maharashtra	Mysore
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
B/F	2094.71	365.41	814.17	2215.26	325.75	706.94	480.21	—	4718.04	1781.69
Manufacture of basic industrial chemicals	(a) 188.03 (b) 5.00 (c) 40.09	36.38 — —	— — —	203.11 6.25 —	— — —	100.00 — —	— — —	— — —	111.71 6.50 —	— 5.00 —
	233.12	36.38	—	209.36	—	100.00	—	—	118.21	5.00
Manufacture of vegetable & animal oil & fats	(a) — (b) —	— —	— —	— —	— —	21.00 —	— —	— —	— —	42.50 —
	—	—	—	—	—	21.00	—	—	—	42.50
Manufacture of miscellaneous chemical products	(a) 137.24 (b) 25.00 (c) —	— — —	— — —	10.64 — —	— — —	61.00 — —	17.38 5.00 —	— — —	478.84 131.85 245.72	10.08 15.00 —
	162.24	—	—	10.64	—	61.00	22.38	—	856.41	25.08
Manufacture of glass & glass products	(a) 35.00 (b) 5.00	— —	84.93 —	3.79 —	— —	30.00 5.00	— —	— —	44.83 10.00	1.50 —
	40.00	—	84.93	3.79	—	35.00	—	—	54.83	1.50
Manufacture of pottery, China & earthenware	(a) — (b) —	— —	162.75 5.00	— —	86.98 15.00	— —	— —	— —	6.00 —	2.85 —
	—	—	167.75	—	101.98	—	—	—	6.00	2.85
Manufacture of cement	(a) 37.00 (b) 2.89 (c) —	— — —	406.22 5.00 18.54	112.30 30.00 —	— — —	— — —	219.59 110.00 —	95.00 — —	20.00 5.00 —	— 8.00 —
	39.89	—	429.76	142.30	—	—	329.59	95.00	25.00	8.00
Basic metal industries —iron & steel	(a) — (b) —	— —	202.89 185.00	— —	100.00 15.00	37.57 5.00	— —	— —	270.09 15.00	— —
	—	—	387.89	—	115.00	42.57	—	—	285.09	—
—Non-ferrous metal industry	(a) — (b) — (c) —	— — —	— — —	— — —	— — —	134.00 10.00 160.79	— — —	— — —	63.69 — —	90.00 125.00 —
	—	—	—	—	—	304.79	—	—	63.69	215.00
Manufacture of metal products except machinery & transport equipment	(a) — (b) 15.00 (c) —	— — —	159.00 20.00 —	70.61 2.00 27.00	237.67 26.50 —	— — —	38.71 50.00 —	— — —	520.15 158.10 103.26	— — —
	15.00	—	179.00	99.61	264.17	—	88.71	—	781.51	—
C/o	2584.96	401.79	2063.50	2680.96	806.90	1271.30	920.89	95.00	6908.78	2081.62

ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA,

(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)

Orissa	Punjab	Rajasthan	Tamil Nadu	Uttar Pradesh	West Bengal	Delhi	Andaman & Nicobar Islands	Pondicherry	Goa	Total	No. of projects
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
527.00	473.85	653.90	1953.77	2248.62	1582.01	39.30	11.00	60.16	75.00	21126.79	272
14.29	—	—	603.01	195.09	97.21	—	—	—	—	1548.83	
15.00	—	—	5.00	5.00	—	—	—	—	—	47.75	
—	—	—	100.08	—	35.86	—	—	—	—	176.03	
29.29	—	—	708.09	200.09	133.07	—	—	—	—	1772.61	18
—	—	—	—	27.50	—	—	—	—	—	91.00	
—	—	—	—	7.00	—	—	—	—	—	7.00	
—	—	—	—	34.50	—	—	—	—	—	98.00	5
—	—	—	128.48	39.75	203.13	—	—	—	—	1086.54	
—	—	—	27.00	12.50	5.00	—	—	—	—	221.35	
—	—	—	—	—	—	—	—	—	—	245.72	
—	—	—	155.48	52.25	208.13	—	—	—	—	1553.61	21
—	—	—	—	20.65	120.01	—	—	—	—	340.71	
—	—	—	—	—	—	—	—	—	—	20.00	
—	—	—	—	20.65	120.01	—	—	—	—	360.71	12
56.75	—	—	—	—	123.00	—	—	—	—	438.33	
—	—	—	3.00	—	—	—	—	—	—	23.00	
56.75	—	—	3.00	—	123.00	—	—	—	—	461.33	12
100.00	—	125.00	565.05	—	—	—	—	—	—	1680.16	
—	—	—	50.00	—	—	—	—	—	—	210.89	
—	—	—	—	—	—	—	—	—	—	18.54	
100.00	—	125.00	615.05	—	—	—	—	—	—	1909.59	26
53.00	—	—	—	115.67	—	—	—	—	—	779.22	
15.00	—	—	—	17.25	—	—	—	—	—	252.25	
68.00	—	—	—	132.92	—	—	—	—	—	1031.47	11
170.00	—	111.00	100.00	29.00	241.28	—	—	—	—	938.97	
—	—	—	120.00	46.00	—	—	—	—	—	301.00	
—	—	557.35	968.50	—	259.01	—	—	—	—	1945.65	
170.00	—	668.35	1188.50	75.00	500.29	—	—	—	—	3185.62	11
127.00	—	59.20	147.80	193.15	369.24	—	—	—	—	1922.53	
—	—	7.00	27.00	26.50	110.50	—	—	—	—	442.60	
—	—	—	—	—	—	—	—	—	—	130.26	
127.00	—	66.20	174.80	219.65	479.74	—	—	—	—	2495.39	57
1078.04	473.85	1513.45	4798.69	2983.68	3146.25	39.30	11.00	60.16	75.00	33995.12	445

APPENDIX V (Contd.)

STATEMENT SHOWING INDUSTRY-WISE DISTRIBUTION OF NET FINANCIAL
UPTO THE 30TH JUNE, 1972 IN EACH STATE

(a) represents loans

(b) represents underwritings

(c) represents guarantees for deferred payments on machinery and for foreign loans

Type of Industry	Andhra Pradesh	Assam	Bihar	Gujarat	Haryana	Kerala	Madhya Pradesh	Meghalaya	Maharashtra	Mysore
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
H/f.	2584.96	401.79	2063.50	2680.96	806.90	1271.30	920.89	95.00	6908.78	2081.62
Manufacture of machinery except electrical machinery	(a) —	—	—	67.07	190.23	—	—	—	282.08	53.00
	(b) —	—	—	7.00	7.00	—	—	—	5.70	7.50
	(c) —	—	—	—	9.48	—	—	—	—	—
	—	—	—	74.07	206.71	—	—	—	287.78	60.50
Manufacture of electrical machinery, apparatus, appliances & supplies	(a) 33.98	—	12.00	92.37	105.00	112.00	26.32	—	354.05	165.39
	(b) 3.00	—	—	25.00	24.48	5.00	3.00	—	48.63	5.00
	36.98	—	12.00	117.37	129.48	117.00	29.32	—	402.68	170.39
Manufacture of rail-road equipment	(a) —	—	15.00	2.25	—	—	—	—	—	60.00
	(b) —	—	—	1.50	—	—	—	—	—	10.00
	—	—	15.00	3.75	—	—	—	—	—	70.00
Manufacture of motor vehicles & ancillaries	(a) 11.79	—	—	—	67.39	—	—	—	375.99	62.50
	(b) —	—	50.00	—	—	—	—	—	93.00	—
	(c) —	—	—	—	—	—	—	—	26.95	—
	11.79	—	50.00	—	67.39	—	—	—	495.94	62.50
Shipping	(b) —	—	—	—	—	—	—	—	10.00	—
	—	—	—	—	—	—	—	—	10.00	—
Manufacture of bicycles	(a) —	—	—	—	45.85	—	—	—	—	—
	—	—	—	—	45.85	—	—	—	—	—
Misc. manufacturing industries	(a) 6.34	—	—	—	10.00	—	—	—	64.10	10.00
	6.34	—	—	—	10.00	—	—	—	64.10	10.00
Electricity, gas, water & sanitary services :										
Electric light & power: generation, transmission & distribution	(a) —	—	—	40.00	—	—	—	—	—	—
	(b) —	—	—	—	—	—	—	—	50.00	—
	—	—	—	40.00	—	—	—	—	50.00	—
Gas manufacture & distribution	(a) —	—	—	—	—	—	—	—	—	—
	(b) —	—	—	—	—	—	—	—	—	—
	(c) —	—	—	—	—	—	—	—	—	—
C/o	2640.07	401.79	2140.50	2916.15	1266.33	1388.30	950.21	95.00	8219.28	2455.01

ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA,
(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)											No. of Projects
Orissa	Punjab	Rajasthan	Tamil Nadu	Uttar Pradesh	West Bengal	Delhi	Andaman & Nicobar Islands	Pondicherry	Goa	Total	
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1078.04	473.85	1513.45	4798.69	2983.68	3146.25	39.30	11.00	60.16	75.00	33995.12	445
—	84.21	—	93.72	120.00	324.22	—	—	—	—	1214.53	
—	25.00	—	22.50	10.00	20.00	—	—	—	—	104.70	
—	—	—	95.53	—	—	—	—	—	—	105.01	
—	109.21	—	211.75	130.00	344.22	—	—	—	—	1424.24	23
—	60.54	184.74	12.00	—	59.63	30.00	—	—	—	1248.62	
—	—	8.00	28.88	4.00	2.50	9.75	—	—	—	167.24	
—	60.54	192.74	40.88	4.00	62.13	39.75	—	—	—	1415.26	38
—	—	—	—	—	55.00	—	—	—	—	132.25	
—	—	—	—	—	—	—	—	—	—	11.50	
—	—	—	—	—	55.00	—	—	—	—	143.75	4
75.00	133.72	—	174.34	101.93	—	—	—	—	—	1002.66	
10.00	—	—	30.00	—	20.00	—	—	—	—	203.00	
—	—	—	—	—	—	—	—	—	—	26.95	
85.00	133.72	—	204.34	101.93	20.00	—	—	—	—	1232.61	21
—	—	—	—	—	—	—	—	—	—	10.00	
—	—	—	—	—	—	—	—	—	—	10.00	1
—	—	—	—	—	139.20	—	—	—	—	185.05	
—	—	—	—	—	139.20	—	—	—	—	185.05	3
—	—	—	98.63	5.10	12.00	—	—	—	—	206.17	
—	—	—	98.63	5.10	12.00	—	—	—	—	206.17	11
—	—	—	—	—	3.00	—	—	—	—	43.00	—
—	—	—	—	—	—	—	—	—	—	50.00	—
—	—	—	—	—	3.00	—	—	—	—	93.00	5
—	—	—	16.44	35.12	86.00	—	—	—	—	137.56	
—	—	—	4.00	4.00	—	—	—	—	—	8.00	
—	—	—	9.61	—	—	—	—	—	—	9.61	
—	—	—	30.05	39.12	86.00	—	—	—	—	155.17	3
1163.04	777.32	1706.19	5384.34	363.83	32867.80	79.05	11.00	60.16	75.00	38860.37	554

APPENDIX E (contd.)

STATEMENT SHOWING INDUSTRY-WISE DISTRIBUTION OF NET FINANCIAL
UPTO THE 30TH JUNE, 1972 IN EACH STATE

(a) represents loans

(b) represents underwritings

(c) represents guarantees for deferred payments on machinery and for foreign loans

Type of Industry	Andhra Pradesh	Assam	Bihar	Gujarat	Haryana	Kerala	Madhya Pradesh	Meghalaya	Maharashtra	Mysore
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
B/f	2640.07	401.79	2140.50	2916.15	1266.33	1388.30	950.21	95.00	8219.28	2455.01
Mining & quarrying :										
—Coal	(a) —	—	50.00	—	—	—	—	—	—	—
	—	—	50.00	—	—	—	—	—	—	—
—Iron ore	(a) —	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—
Stone quarrying :										
—Minerals	(b) —	—	10.00	—	—	—	—	—	—	—
	—	—	10.00	—	—	—	—	—	—	—
Petroleum & natural gas	(b) —	350.00	—	—	—	—	—	—	—	—
	—	350.00	—	—	—	—	—	—	—	—
Hotel Industry	(a) —	—	—	—	—	—	—	—	82.50	—
	(b) —	—	—	—	—	—	—	—	3.00	—
	(c) —	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	85.50	—
	(a) 1531.43	401.79	1582.75	2601.53	1141.87	1186.33	684.14	95.00	7357.57	1967.99
	(b) 182.82	350.00	288.00	187.32	104.38	29.50	226.25	—	571.28	265.50
	(c) 925.82	—	329.75	127.30	20.08	172.47	39.82	—	375.93	221.52
Total :	2640.07	751.79	2200.50	2916.15	1266.33	1388.30	950.21	95.00	8304.78	2455.01
No. of projects State-wise :	(34)	(7)	(25)	(46)	(28)	(19)	(16)	(1)	(121)	(41)

APPENDIX E—(contd.)

ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA

(After adjustment of cancellations/withdrawals)

(Rs. Lakhs)

Orissa	Punjab	Rajasthan	Tamil Nadu	Uttar Pradesh	West Bengal	Delhi	Andaman & Nicobar Islands	Pondicherry	Goa	Total	No. of projects
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1163.04	777.32	1706.19	5384.34	3263.83	3867.80	79.05	11.00	60.16	75.00	38860.37	554
—	—	—	—	—	72.00	—	—	—	—	122.00	
—	—	—	—	—	72.00	—	—	—	—	122.00	3
75.00	—	—	—	—	—	—	—	—	—	75.00	
75.00	—	—	—	—	—	—	—	—	—	75.00	1
—	—	—	—	—	—	—	—	—	—	10.00	
—	—	—	—	—	—	—	—	—	—	10.00	1
—	—	—	—	—	—	—	—	—	—	350.00	
—	—	—	—	—	—	—	—	—	—	350.00	1
—	—	—	27.50	35.50	—	122.62	—	—	—	268.12	
—	—	—	4.00	—	—	—	—	—	—	7.00	
—	—	—	—	—	—	93.00	—	—	—	93.00	
—	—	—	31.50	35.50	—	215.62	—	—	—	368.12	5
1143.04	742.36	926.34	3643.40	2704.77	3190.17	187.62	11.00	52.00	—	31151.10	
95.00	25.00	22.50	545.38	272.25	217.50	9.75	—	—	75.00	3467.43	
—	9.96	757.35	1227.06	322.31	532.13	97.30	—	8.16	—	5166.96	
1238.04	777.32	1706.19	5415.84	3299.33	3939.80	294.67	11.00	60.16	75.00	39785.49	565
(17)	(12)	(14)	(64)	(44)	(70)	(3)	(1)	(1)	(1)	(565)	

APPENDIX F

STATEMENT SHOWING THE TOTAL INSTALLED CAPACITY AND INDUSTRIAL PRODUCTION IN THE COUNTRY IN SELECTED INDUSTRIES DURING THE YEAR 1971 AND THE CONTRIBUTION THERETO BY THOSE CONCERNS ASSISTED BY IFCI FROM WHOM LOANS ARE OUTSTANDING

Industry	Output Unit	Total for the country			In respect of concerns assisted By IFCI		
		No. of concerns	Installed capacity	Actual production	No. of concerns	Installed capacity	Actual production
1	2	3	4	5	6	7	8
1. Chemicals & Chemical Product	M.T.—Thousand						
—Sulphuric Acid	—do—	67	1969	1300	3	40	11
—Caustic Soda	—do—	28	372	369	6	140	135
—Soda Ash	—do—	4	471	483	2	259	278
—Bleaching Powder	—do—	3	26	15	2	14	7
—Chlorine Liquid	—do—	22	222	162	5	66	51
—Phenol	—do—	2	17	10	1	10	9
—Butadiene	—do—	1	7	5	1	7	5
—Acetone	—do—	3	19	12	1	6	6
—Di-acetone Alcohol	—do—	2	5	3	2	5	3
—Ethylene	—do—	2	75	67	1	60	47
—Benzene	—do—	10	94	55	1	14	12
—P.V.C.	—do—	4	23	26	1	20	20
—P.F. Moulding Powder	—do—	3	5	4	1	2	2
—U.F. & M.F. Moulding Powder	—do—	5	3	2	1	0.5	0.4
2. Fertilizers	M.T.—Thousand						
(a) Nitrogenous Fertilizers							
Ammonium Sulphate	—do—	13	978	622	2	454	203
“ Chloride	—do—	2	69	32	1	25	10
“ Phosphate	—do—	2	186	96	1	132	58
“ Urea	—do—	10	1878	1237	3	1054	799
(b) Phosphatic Fertilizers							
—Superphosphate	—do—	28	1300	759	1	44	30
3. Cement	—do—	50	19390	14930	9	11704	8780
4. Paper & Paper Board	—do—	59	882	774	11	360	330
5. Hard Boards	—do—	3	35	20	2	19	9
6. Rubber Products							
—Automobile Tyres	No.—Thousand	31	3850	4146	3	1050	870
“ Tubes	—do—	26	3850	3882	3	1050	921
—Bicycle Tyres	—do—	11	24396	19189	2	7000	3283
“ Tubes	—do—	13	22200	12419	2	7000	2999
—Industrial V Belts & Fan Belts	—do—	11	5260	5512	1	960	597
7. Steel Castings	M.T.—Thousand	42	137	56	4	18	10
—Steel Tubes & Pipes	—do—	14	601	218	4	414	111
—Ball and Roller Bearings	No.—Lakhs	7	189	190	3	95	70
8. Refractories	M.T.—Thousand	43	1096	785	1	36	39
—Sanitarywares	—do—	9	17	14	1	5	4
9. Machinery							
—Tractors	Nos.	6	32200	16443	1	3000	1210
10. Electrical Machinery & Appliances							
—Electric Motors	HP×Thousand	20	2569	2365	2	410	556
—Electric Transformers	KVA—Thousand	23	6265	8690	2	1000	1089
—House Service Meters	No.—Thousand	15	2057	2849	1	200	154
11. Reamers	No.—Thousand	16	288	171	3	267	47
12. Milling Cutters	No.—Thousand	18	436	339	3	73	37
13. Automobile Industry							
—Motor Cycles	No.—Thousand	10	167	127	4	65	48
—Scooters							
—3 Wheelers							
—Mopeds	No.—Thousand	10	3332	1864	1	700	467
14. Bicycles (complete)							
15. Sugar							
—Private Sector	M.T.—Lakhs	140	24.50	18.35	4	0.95	0.87
—Co-operative Sector	—do—	79	15.00	12.75	53	9.53	8.54
16. Cotton Textiles							
—Yarn	Kg.—Lakhs	*670	180.06	8810	48@	12.96	759
—Cloth	Metre—Lakhs		(Lakh spindles) 2.09	73110		(Lakh spindles) 0.10	(Lakh looms) 2018

Note :— 1. Information in columns 3, 4 and 5 is based on the Reports of the Ministries of Industrial Development, Foreign Trade and Petroleum and Chemicals.

2. Information in columns 6, 7 and 8 is based on replies to the Corporation's questionnaire received from assisted units.

*Includes 291 composite mills.

@Includes 9 composite mills.

APPENDIX G

DEBTS DUE BY CONCERNS IN WHICH THE DIRECTORS OF THE CORPORATION ARE INTERESTED
AS DIRECTORS AND SHAREHOLDERS AS ON THE 30TH JUNE, 1972

No. of companies /Societies	Date of sanction of loan	Amount of loan sanc- tioned	Amount Due		Total	Remarks
			In respect of loans sanctioned <i>prior</i> to the dates on which the concerned direc- tors became directors of the Corporation or acquired interest in the loanee con- cerns	In respect of loans sanctioned when the concerned directors were directors of the Corporation		
1	2	3	4	5	6	7
A. Debts due by Co-operative Societies in which the Directors of the Corporation are interested as nominees of State Governments or Co-operative Banks or Registrar of Co-operative Societies.						
		Nil	Nil	Nil	Nil	
B. Debts due by concerns in which the Directors of the Corporation are interested as shareholders only.						
1.	31.1.64	25,43,889	6,77,951			
	27.1.65	8,54,730	3,90,034			
	28.1.66	21,81,568	8,88,045			
2.	30.5.63	19,59,187	6,80,219			
3.	28.3.69	53,34,427	52,04,051			
4.	20.3.67	2,00,00,000	2,00,00,000			
5.	28.1.61	8,26,000	9,60,078			
	29.3.61					
	27.5.65	13,00,000	15,78,227			
	28.1.61	79,48,350	1,06,90,849			
6.	30.4.64	1,00,00,000	76,00,000			
7.	3.5.56	2,06,00,000				
	10.1.57	50,00,000	90,85,000			
8.	29.6.61	1,00,00,000	75,00,000			
	30.5.63	50,00,000	35,00,000			
	26.6.69	56,48,000	56,48,000			
	30.5.68	23,94,952	20,29,948			
	26.6.69	47,56,285	28,55,720			
9.	28.12.64	6,88,440	2,83,926			
	22.11.66	17,95,238	—	16,27,459		
10.	30.12.65	2,00,00,000	—	1,62,42,937		
11.	27.1.65	50,00,000	41,64,199			
12.	29.8.63]	27,22,665	25,09,299			
	29.8.63	7,96,000	6,41,084			
	28.7.66	4,51,000	—	4,69,089		
	28.7.66	8,39,000	—	7,11,673		
13.	30.5.63	34,09,098	18,58,784			
	30.5.63	29,88,353	4,45,845			
14.	30.4.64	41,89,000	34,78,000			
	28.12.64	4,39,000				
	30.4.64					
	28.12.64	38,83,197	24,65,694			
	30.4.64					
	28.12.64	46,96,851	32,56,542			
	27.1.67	75,00,000	—	50,50,000		
15.	28.9.62	1,50,00,000	1,27,50,000			
	28.7.66	50,00,000	—	47,50,000		
16.	25.5.61	2,79,000	1,04,804			
	25.5.61	6,53,763	2,18,656			
	29.8.63	7,50,000	3,16,143			
C/o.		18,74,27,993	11,17,81,098	2,88,51,158		

1	2	3	4	5	6	7
	B/t	18,74,27,993	11,17,81,098	2,88,51,158		
17.	29.11.60	12,00,000	6,19,553			
	30.1.69	80,00,000	—	80,00,000		
18.	30.12.65	9,26,918	63,176			
19.	29.9.65	1,00,00,000	78,02,000			
	28.8.69	30,00,000	24,96,000			
20.	29.9.64	35,98,313	19,89,562			
21.	30.5.63	1,40,00,000	1,12,00,000			
22.	31.10.68	20,65,000	—	19,65,000		
	31.10.68	3,00,000	—	3,00,000		
	31.10.68	12,32,093	—	9,17,089		
23.	25.3.65	42,82,650	23,92,645			
24.	29.4.65	2,00,00,000	1,62,50,000			
	24.2.72	13,21,580	—	2,49,046		
25.	28.2.63	28,07,000	19,12,771			
26.	25.6.55	1,00,00,000	20,66,460			
	27.6.58	50,00,000	10,33,515			
	30.3.67	85,14,960	75,79,776			
	30.3.67	6,91,200	1,37,937			
			6,349			
	30.3.67	5,79,120	5,11,715			
27.	26.11.56	25,00,000	4,88,000			
Total of 'B'		28,74,46,827	16,83,30,557	4,02,82,293	20,86,12,850	

C. Debts due by concerns in which the Directors of the Corporation are interested as Directors.

1.	27.6.58	20,00,000	2,06,518		
	29.8.68	35,00,000	32,50,000		
	25.11.65	5,00,000	3,60,040		
	28.2.63	14,53,413	4,24,331		
	28.2.63	16,32,195	6,08,831		
	31.1.63	27,34,741	23,61,688		
	30.7.64				
	29.8.68	1,00,644	1,05,809		
2.	28.11.68	40,00,000	—	39,00,000	
	25.2.71	15,00,000	—	15,00,000	
3.	25.3.71	33,34,000	21,00,000		
	25.3.71	1,66,480	1,56,838		
4.	30.9.63	24,30,000	8,59,390		
	26.5.66	20,00,000	11,46,115		
	30.9.63	42,71,894	27,16,717		
	29.10.64	14,04,210	8,99,994		
	29.10.64	9,56,284	9,39,613		
5.	24.2.66	43,05,000	15,05,000		
	30.11.67	6,15,090	2,94,779		
6.	29.12.66	50,00,000	—	7,08,545	
Total of 'C'		4,19,03,951	1,79,35,663	61,08,545	2,40,44,208
Total of 'A' 'B' & 'C'		32,93,50,778	18,62,66,220	4,63,90,838	23,26,57,058

APPENDIX H

STATEMENT SHOWING CLASSIFICATION OF NET FINANCIAL ASSISTANCE SANCTIONED BY THE INDUSTRIAL FINANCE CORPORATION OF INDIA AS ON THE 30TH JUNE, 1972

(According to amounts sanctioned for each industrial concern)

(Rs. Lakhs)												
	Co-operatives		Public Limited Companies					Total				
	No. of concerns	Loans	No. of concerns	Loans	Under-writings	Guarantees for deferred payments for machinery & for foreign loans	Total	No. of concerns	Loans	Under-writings	Guarantees for deferred payments for machinery & for foreign loans	Total
1. Amounts not exceeding Rs. 10 lakhs.	—	—	74	231.20	219.04	—	450.24	74	231.20	219.04	—	450.24
2. Amounts exceeding Rs. 10 lakhs but not exceeding Rs. 20 lakhs	—	—	49	548.70	217.38	—	766.08	49	548.70	217.38	—	766.08
3. Amount exceeding Rs. 20 lakhs but not exceeding Rs. 30 lakhs	3	75.20	43	889.73	211.70	4.71	1106.14	46	964.93	211.70	4.71	1181.34
4. Amounts exceeding Rs. 30 lakhs but not exceeding Rs. 40 lakhs	16	592.50	45	1342.30	243.75	31.88	1677.93	61	1934.80	243.75	31.88	2210.43
5. Amounts exceeding Rs. 40 lakhs but not exceeding Rs. 50 lakhs	6	275.00	44	1725.75	264.90	38.68	2029.33	50	2000.75	264.90	38.68	2304.33
6. Amounts exceeding Rs. 50 lakhs but not exceeding Rs. 60 lakhs	8	453.75	23	1211.39	63.00	—	1274.39	31	1665.14	63.00	—	1728.14
7. Amounts exceeding Rs. 60 lakhs but not exceeding Rs. 70 lakhs	5	323.00	21	1269.76	36.00	58.75	1364.51	26	1592.76	36.00	58.75	1687.51
8. Amounts exceeding Rs. 70 lakhs but not exceeding Rs. 80 lakhs	12	930.00	18	1058.90	211.10	82.94	1352.94	30	1988.90	211.10	82.94	2282.94
9. Amounts exceeding Rs. 80 lakhs but not exceeding Rs. 90 lakhs	30	2653.31	11	884.35	67.50	—	951.85	41	3537.66	67.50	—	3605.16
10. Amounts exceeding Rs. 90 lakhs but not exceeding Rs. 1 crore	4	398.00	8	778.11	—	—	778.11	12	1176.11	—	—	1176.11
11. Amounts exceeding Rs. 1 crore	20	3043.89	81	12466.26	1933.06	4950.00	19349.32	101	15510.15	1933.06	4950.00	22393.21
TOTAL :	104	8744.65	417	22406.45	3467.43	5166.96	31040.84	521	31151.10	3467.43	5166.96	39785.49

APPENDIX I

Consolidated list of Districts/territories notified by the Central Government as qualifying for Concessional Finance from Public Financial Institutions

States	Selected Districts
1. Andhra Pradesh	Nalgonda, Medak, Mahbubnagar, Karimnagar, Warangal, Khammam, Chittoor, Anantapur, Kurnool, Nizamabad, Srikakulam, Cuddapah Nellore and Ongole.
2. Assam	Goalpara*, Cachar, Nowgong, Kamrup, Mikir Hills district*, Mizo Hills District and North Cachar Hills.
3. Bihar	Santhal Parganas, Bhagalpur*, Palamau, Champaran, Saran, Darbhanga*, Purnea, Muzaffarpur and Saharsa.
4. Gujarat	Panchmahals*, Kutch, Amreli, Sabarkantha, Banaskantha, Broach, Bhavnagar, Mehsana, Surendranagar and Junagadh.
5. Haryana	Mohindergarh*, Hissar and Jind.
6. Himachal Pradesh	Chamba, Kannaur, Kangra*, Kulu and Lahaul & Spiti.
7. Jammu & Kashmir	Srinagar*, Anantnag, Baramula, Jammu*, Kathua, Udhampur, Doda, Ladakh, Poonch and Rajouri.
8. Kerala	Alleppey*, Trivandrum, Cannanore, Trichur and Malapuram.
9. Madhya Pradesh	Bastar, Mandla, Surguja, Seoni, Bilaspur, Jhalua, Balaghat, Sindhi, Betul, Raigarh, Raipur, Dhar, Tikamgarh, Rajgarh, Khargone, Shajapur, Shivpuri, Chhindwara, Rewa, Panna, Dewas, Mandsaur, Chhatarpur, Guna, Datia, Morena, Vidisha, Narsimhapur, Raisen, Hoshangabad, Demoh, Bhind, Sagar and Ratlam.
10. Maharashtra	Bhir, Osmanabad, Bhandra, Ratnagiri*, Aurangabad, Yeotmal, Chanda, Dhulia, Buldhana, Nanded, Parbhadi, Jalgaon and Colaba.
11. Meghalaya	Both the districts of United Khasi and Jaintia Hills* and Garo Hills*.
12. Mysore	Belgaum, Bidar, Bijapur, Dharwar, Gulbarag, Hassan, Mysore, North Kanara, Raichur*, South Kanara and Tumkur.
13. Nagaland	Kohima*, Mokokchung*, and Tuensang.
14. Orissa	Bolangir, Mayurbhanj*, Dhenkanal, Kalahandi*, Balasore, Keonjhar, Koraput and Phulbani.
15. Punjab	Hoshiarpur*, Bhatinda, Gurdaspur and Sangrur.
16. Rajasthan	Jalore, Banswara, Dungarpur, Nagaur, Churu, Alwar*, Tonk, Udaipur, Jodhpur*, Jhunjhunu, Sikar, Sirohi, Bhilwara, Jhalawar, Jaisalmer and Barmer.
17. Tamil Nadu	South Arcot, Tiruchirapalli, Madurai, Ramanathapuram, Kanyakumari, North Arcot, Thanjavur and Dharmapuri.
18. Uttar Pradesh	Almora, Azamgarh, Baharaich, Banda, Ballia*, Badaun, Chamoli, Fatehpur, Garhwal, Ghazipur, Hamirpur, Hardoi, Pilibhit, Jalaun, Jaunpur, Jhansi*, Mainpuri, Pithoragarh, Pratappgarh, Rae Bareilly, Sultanpur, Tehri-Garhwal, Unnao, Uttar Kashi, Barabanki, Basti, Bulandshaher, Etah, Etawah, Faizabad, Gonda, Mathura, Farrukhabad, Muradabad, Shaahanpur and Deoria.
19. West Bengal	Purulia*, Bankura, Midnapur, Darjeeling, Malda, Cooch-Behar, West Dinajpur, Murshidabad, Jalpaiguri, Birbhum, Burdwan, Hooghly and Nadia.
Union Territories:	
1. Andaman & Nicobar Islands*	Entire area
2. Dadra & Nagar Haveli*	Entire area
3. Goa, Daman & Diu*	Entire area
4. Laccadive, Amindivi & Minicoy Islands*	The inhabited Islands
5. Manipur*	Entire area
6. NEFA*	Entire area
7. Pondicherry*	Entire area
8. Tripura*	Entire area

*These districts/areas are eligible for the Central Government's capital investment subsidy.

- Notes : (i) Two Areas : One 'Area' from Rayalaseema region comprising 13 blocks viz. Chandragiri block (from Chittoor district), Proddatur, Kamalapuram, Cuddapah, Pulivendla, Rajampet, Kodur and Sidhout blocks (from Cuddapah district), Singanamala, Tadipatri and Cooty blocks (from Anantapur district), Kurnool and Dhone blocks (from Kurnool district), the other 'Area' from Telengana Region comprising 16 blocks viz. Siddipet (from Medak district), Poddapalli, Sultanabad, Karimnagar and Hazurabad blocks (from Karimnagar district), Hanamkonda, Narasimpet and Mahbubabad blocks (from Warangal district), Khammam and Tirumalaipalem blocks (from Khammam district), Suryapet, Nalgonda, Muluguda and Makrola blocks (from Nalgonda district), Kalwakurthy and Amangal blocks (from Mahbubnagar district).
- (ii) Two 'Areas' : one 'Area' from Eastern Region comprising 12 blocks, viz., Korba, Baloda, Champa, Kota, Masturi and Bilha (Bilaspur) blocks (from Bilaspur district), Bhatpara, Simga, Tilda, Dharsiwa (Raipur), Abhanpur and Rajim blocks (from Raipur district), the other 'Area' from Western Region comprising 10 blocks, viz., Dewas and Tonk Khurad blocks (from Dewas district), Gulana, Shujalpur and Shajapur blocks (from Shajapur district), Pachor (Sarangpur) and Biaora blocks (from Raigarh district) and Chachaura, Raghogarh and Guna blocks (from Guna district).
- (iii) One 'Area' comprising 10 Talukas (including sub-talukas), viz., Ramanathapuram, Madhukulathur, Sivaganga, Parmakudi, Thiruvadani and Thirupathur Talukas (from Ramanathapuram district), Melur Taluka (from Madurai district), Thirumayam, Allangudi and Kulathur Talukas (from Tiruchirapalli district).
- (iv) In respect of Union Territories Nos. 3 and 7, the entire district, excluding the area within the municipal limits of their capitals.

APPENDIX J

Details of Concessions on Financial Assistance for Industrial Projects that may be located in Districts/areas notified by the Central Government.

- (i) *Rate of interest :*
As against the current rate of interest at 9% (with a rebate of $\frac{1}{2}$ % for punctual payment of instalments of principal and interest), a lower rate of interest, i.e. $7\frac{1}{2}$ % (with a rebate of $\frac{1}{2}$ %) will be charged.
- (ii) *Initial grace period for commencement of repayment of loans :*
The Corporation's normal practice is to allow 3 years' moratorium to any assisted concern for the first repayment of the principal amount of the loan. In the case of undertakings in backward areas, this period would be extended to five years from the date of the first disbursement of the loan.
- (iii) *Amortisation period for loans :*
As against the normal period of 10 to 12 years for the repayment of a loan, this period would be extended to 15/20 years.
- (iv) *Margin of security :*
The present practice of the Corporation is to aim at a margin of 50%. This would be reduced to 30/35%. In other words, an equity : debt ratio of 1 : 2 would be acceptable.
- (v) *Promoters' contribution :*
The Corporation would be prepared to accept a lower contribution from the promoters to the cost of the project than its normal requirements.
- (vi) *Participation in equity and preference capital :*
Depending on the merits of each case, the Corporation would be prepared to consider participation by way of underwriting or otherwise in the share capital of an industrial concern located in a backward district to a greater extent as compared to projects located elsewhere.
- (vii) *Reduction in other charges :*
50% reduction will be made on the Corporation's normal charges in respect of underwriting commission, commitment charge, non-refundable examination fee for processing of applications and legal charges.

The concessions will normally be applicable to cases where the total project cost does not exceed Rs. 1 crore: concessional finance for larger projects would be considered on a selective basis. The concessions are also applicable to expansion schemes of existing projects, where the additional fixed capital investment is not less than 25% of the investment already made by the unit. In the case of industrial co-operatives, it has been decided to extend these concessions irrespective of the cost of the project.

Assistance on concessional terms from the Corporation will be in addition to the grant/subsidy for projects in backward districts/areas upto 10% of the project cost (provided it does not exceed Rs. 50 lakhs), which may be availed of under the Central Government's scheme.

APPENDIX K

Directives issued to the Corporation by the Industrial Development Bank of India vide their letter No. 278/OP. 7 (J)—70/71 dated the 28th July, 1970 in exercise of the powers conferred on them by sub-section (3) of section 6 of the IFC Act, 1948, and as amended by their letters No. 536/OP. 7 (J)—71/72 dated the 11th January, 1972 and No. 771/OP. 7 (J)—71/72 dated the 21st February, 1972

1. In its operations, the Corporation should assist, as far as may be practicable, the industrial development of backward provinces and areas in order that such regions may attain a more balanced economic development.
2. In sanctioning financial assistance, the Corporation should give greater attention to the proper assessment of the earning capacity of the industrial concerns and to an appropriate debt : equity ratio, normally not higher than 2 : 1, which may be relaxed, if necessary, at the discretion of the Board of Directors of the Corporation in the case of projects requiring special consideration including those in the less-developed areas of the country.
3. A report should be sent to the Industrial Development Bank of India with full particulars whenever assistance in excess of Rs. 1.50 crores in individual cases is decided to be granted by the Corporation. A report should also be sent to the Industrial Development Bank of India of all cases of the grant of assistance in which a Director of the Corporation is interested in the applicant industrial concern. In cases of assistance to concerns in which a Director of the Corporation is a Director, a report should be sent, if assistance is sanctioned at a meeting at which less than half the Directors are present or the decision is not unanimous.
4. (i) The Industrial Finance Corporation of India shall not grant assistance to any one industrial concern when the aggregate assistance to the industrial concern exceeds Rs. 2 crores except with the prior approval of the IDBI.
(ii) The Industrial Finance Corporation shall refer to the IDBI for orders, all cases where the total amount of assistance granted to industrial concerns which are owned, managed or controlled by a closely connected group of industrialists exceeds Rs. 2 crores.

For purposes of clauses (i) and (ii) above, the aggregate assistance of Rs. 2 crores should be calculated by adding up the outstanding of the previous assistance and the amount of additional assistance granted.

INDUSTRIAL FINANCE CORPORATION OF INDIA
OFFICERS AT BRANCHE

AHMEDABAD

S.K. Bhattacharya
R.K. Khanna
Ravi Shankar Sharma
C.P. Bhan

Manager
Technical Officer
Technical Officer
Law Officer

BANGALORE

P.S. Gopalakrishnan

Manager

BHUBANESWAR

M.R. Ganapathy Rao
P.K. Sen Gupta

Officer-in-charge
Technical Officer

BOMBAY

M.N. Khushu
M.V. Kulkarni
S.M. Sirsikar

Manager
Asstt. Manager
Asstt. Manager

B.K. Malhotra
R.L. Srivastava
B.M. Shah
Siddheswar De

Technical Officer
Technical Officer
Senior Law Officer
Law Officer

CALCUTTA

R.N. Sahoo
K. Radhakrishna
Chandidas Ghosh
S.M. Mitra
P.K. Ghosh

Manager
Asstt. Manager
Technical Officer
Senior Law Officer
Law Officer

GAUHATI

H.P. Gupta

Officer-in-charge

HYDERABAD

M.L. Chopra
J.P. Sharma
M. Ramakrishna Rao

Manager
Technical Officer
Law Officer

KANPUR

R.N. Nayyar
K.K. Kathuria

Officer-in-charge
Technical Officer

MADRAS

W.N. Kapur
V. Ramachandran

Manager
Asstt. Manager

C.D. Reddy

Technical Officer

P.S. Balasubrahmanyam

Law Officer

PATNA

S.K. Jain
B.P. Mishra

Officer-in-charge
Technical Officer

INDUSTRIAL FINANCE CORPORATION OF INDIA

OFFICERS OF THE CORPORATION

HEAD OFFICE

PRINCIPAL OFFICERS

C.D. Khanna — *Chairman*

Baldev Pasricha — *General Manager*

T.M. Sen
R.B. Mathur
M.S. Nagrath

Legal Adviser
Assistant General Manager
Chief Accountant

S.N. Pai
P.S. Gurung
A.K. Ghosh

Deputy General Manager
Chief Technical Officer
Deputy Legal Adviser

PROJECTS DEPARTMENT

N.P. Chakraborty
D.N. Davar
I.S. Nangia

Manager
"
"

L.N. Jadhvani
V.P. Kamath
M.M. Menon

Asstt. Manager
"
"

T. Ramaswamy
H.C. Sharma
S.K. Shivapuri

Asstt. Manager
"
"

TECHNICAL DEPARTMENT

S.P. Banerjee
M.G. Chaturvedi
K.K. Garg
C.D. Gopalarathanam

Tech. Officer
"
"
"

K.C. Hukmani
A.S. Khurana
G.D. Narang
S.K. Rishi

Tech. Officer
"
"
"

R.L. Shangari
R.K. Sharma
S. Sundararajan

Tech. Officer
"
"

LEGAL DEPARTMENT

L.D. Mundkur — *Senior Law Officer*

B.N. Banerjee
B.M. Dhar

Law Officer
"

S.S.L. Gupta
S.L. Mitra

Law Officer
"

ECONOMIC AND PLANNING DEPARTMENT

Dr. J.C. Rao
Krishna Ramanujam

Manager
Asstt. Manager

STATISTICS DEPARTMENT

V.S.R.K. Sastry
G. Narayanamoorthy

Manager
Asstt. Manager

ACCOUNTS / INTERNAL AUDIT DEPT.

H.S. Rustagi
H. Chaudhury

Manager
Asstt. Manager

FOREIGN CURRENCY LOANS DEPT.

G. Viswanathan

Asstt. Manager

BOARD & CO-ORDINATION DEPARTMENT

R. Ramachandra Rao

Manager

ADMINISTRATION DEPARTMENT

D.G. Ramaiah
M.L. Kapoor

Manager
Personnel Officer

DELHI DIVISION

A.N. Sehgal — *Asstt. Manager*